RETIRED OFFICERS ASSOCIATION BULLETIN

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SERVICE PAY REPORT

On Friday, 24 December 1948, the Secretary of Defense made public the unanimous report of the Civilian Advisory Commission on Armed Services Pay.

A bill (H.R. 2553) proposing enactment of the general provisions of the above report, prepared in the National Military Establishment, has been introduced by Rep. Kilday, and its full text is printed elsewhere in this issue. (See also comments under "Legislation").

Composing the Commission were: Mr. Charles R. Hook, Chairman, President of the American Rolling Mills Company, Middletown, Ohio; Rev. John J. Cavanaugh, President, Notre Dame University, South Bend, Indiana; Mr. Keith S. McHugh, Vice President, American Telephone & Telegraph Company, New York, New York; and Mr. Lawrence H. Whiting, President, Whiting & Company, investment bankers, Chicago, Illinois.

The report recommends sweeping revision of the entire pay structure of the Uniformed Services. A primary objective of the study was the evolution of a means to attract and hold in the Services personnel adequate in numbers and capabilities to insure a strong National Defense. In this connection, it stresses compensation and promotion opportunities on a parity with comparable civilian responsibilities. Since, the report states, the National Security Act of 1947 provided for a single Military Establishment, it points to the fact that justice requires equal opportunity for pay and promotion be given to all personnel within the uniformed organization according to ability and it is the expressed view of the Commission that this principle should apply equally to the Regular and Reserve Forces whose combined strength constitutes the backbone of our national security.

In addition to its recommendations for revision of the pay structure, the Commission submitted what it terms to be a readjusted program for retirement and allied benefits, designed to remove many of the inequalities resulting from the various laws presently existing which govern the application of those benefits among the different services.

The report deals with all factors relating to pay of uniformed personnel of the Army, Navy, Air Force, Marine Corps, Coast Guard, Public Health Service and Coast & Geodetic Survey. It proposes new basic pay scales and methods of computing longevity increases, as indicated in the table below shown:

BASIC COMPENSATION PROPOSED IN HOOK REPORT FOR ALL ARMED SERVICES

Rank	Years of Service: Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
OFFICERS													
General	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$1005.00
Lieutenant General	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	1005.00
Major General	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	975.00	1005.00
Brigadier General	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	810.00	840.00	870.00
Colonel	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	615.00	645.00	675.00	705.00	735.00
Lieutenant Colonel	480.00	480.00	480.00	480.00	480.00	480.00	495.00	510.00	525.00	555.00	585.00	615.00	615.00
Major	405.00	405.00	405.00	405.00	420.00	435.00	450.00	465.00	480.00	510.00	510.00	510.00	510.00
Captain	330.00	330.00	345.00	360.00	375.00	390.00	405.00	420.00	435.00	435.00	435.00	435.00	435.00
First Lieutenant	262.50	277.50	292.50	307.50	322.50	337.50	337.50	337.50	337.50	337.50	337.50	337.50	337.50
Second Lieutenant	225.00	240.00	255.00	270.00	285.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00
WARRANT OFFICERS													
One	330.00	330.00	330.00	345.00	360.00	375.00	390.00	405.00	420.00	435.00	450.00	465.00	480.00
Two	300.00	300.00	300.00	307.50	315.00	322.50	330.00	337.50	345.00	360.00	375.00	390.00	405.00
Three	262.50	262.50	262.50	262.50	270.00	277.50	285.00	292.50	300.00	315.00	330.00	345.00	360.00
Four	217.50	217.50	217.50	225.00	232.50	240.00	247.50	255.00	262.50	277.50	292.50	307.50	307.50

Allowances for subsistence and quarters are not shown above, inasmuch as they do not apply to retired officers, unless on active duty. However, a flat subsistence allowance of $45 is recommended for all officers on active duty, with or without dependents. A quarters allowance of $150 with dependents and $120 without dependents is recommended for all flag ranks. Quarters allowances for other ranks is recommended as follows: *With dependent*—Colonel and Lieutenant Colonel $120; Major $105; Captain $90; First Lieutenant $82.50; Second Lieutenant $75; Warrant Officers, grade one $105; grade two $90; grade three $82.50; grade four $75. *Without dependents*—Colonel $105; Lieutenant Colonel $90; Major $82.50; Captain $75; First Lieutenant $67.50; Second Lieutenant $60; Warrant Officers, grade one $82.50; grade two $75; grade three $67.50; grade four $60.

The Commission stated that it has endeavored to establish a proper balance between basic pay and allowances, the special pays and allowances and a retirement, severance pay and death benefit program, each of which they felt is an essential part of a well balanced treatment of those choosing a military career.

During the past forty years, the report indicates, there have been three major changes in the military pay scales for officers and four changes affecting enlisted personnel. Altogether, during this period, about a dozen revisions were enacted, including percentage decreases during the depression years. The basic principles of the scale developed in 1908 were retained throughout that period, despite an attempt in 1922 to arrive at logical differences between grades and to

(*Continued on Page 3, Col. 2*)

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UNIFICATION WITHIN THE ROA

Much has been written in the press and elsewhere concerning the problems and differences inherent in unification of the Armed Services. Some contend that "never the twain shall meet," but we of the Retired Officers Association do not subscribe to any such pessimistic belief.

With us unification is an actual reality. Ours is an organization composed of retired officers, male and female, regular and reserve, of all the uniformed services. We follow a single major purpose and a single major objective. That purpose is to foster fraternal relations among the officers of the various services from which our members are drawn, while the objective is to safeguard present security and promote future rights for retired officers, their dependents and survivors.

Secretary of Defense Forrestal has stated that he is not alarmed over the time it has taken to set up the initial stages of unification of the National Military Establishment, nor is he concerned regarding the various opinions expressed, pro and con. He feels that differences of opinion, particularly at this time, when the accomplishment of a workable unification has not yet been achieved, stimulate healthy discussions out of which come many good ideas.

Our thoughts along that line are heartily in agreement with those of Secretary Forrestal. We follow closely the philosophy that "two heads are always better than one."

The keynote to success in any endeavor, however, is coordination of effort. It is that spirit and teamwork which inspires the drive toward the goal line.

Of course, we, too, are not without our differences of opinion. We encourage our members to speak freely in the evaluation of any situation. In this manner, we gain many valuable suggestions. But, once the signals are called, we go forward together.

By playing the game according to the rules; by the sage and well timed direction of our governing Board; and by the manner in which the Association has thus approached its mission in the past, we feel that ours is an organization which will make further strides toward progress, as we carry on our unification.

DISCUSSION OF EFFECT OF SERVICE PAY REPORT

In reviewing the report of the Civilian Advisory Commission on Armed Services Pay, it is our opinion that, in general, it represents a thesis of reasonable conclusions by highly capable, intelligent and well intentioned men. Certainly the magnitude of their task was great and the manner in which it was accomplished is commendable.

It is, however, in many respects inadequate in its retirement features. It recommends substantial diminution in retirement benefits except for those who have completed fully successful careers. It fails to extend to those previously retired the right to compute their pay upon the proposed new rates which are clearly dictated by economic necessity.

We fail to recognize the entirely analagous positions of career military personnel with persons engaged in civil pursuits. To illustrate this point we offer the following hypothetical example. First we take the case of Mr. A, a civilian, and contrast his economic situation with that Lieut. B, an officer of the Services.

Mr. A. upon completing his education finds employment in a progressive business concern in his hometown. He marries and, in due course, his family is increased by two fine youngsters. With his knowledge regarding real estate values of the community in which he lives, he acquires a home and an automobile. Of course, he has assumed obligations and responsibilities of major proportions, but after the normal process of the passing of a few years, during which time he might have gained a salary advance, his horizon suddenly clears and he can see his way ahead. Even with getting some luxuries for himself and his family he is able to take out insurance toward old-age protection. This insurance is to supplement the benefits which accrue from Social Security and other industrial forms of coverage against injury and death. Having done those things, there can be no denying that Mr. A. has become a truly solid and provident citizen.

Now, let us make a similar analysis of the life and progress of Lieut. B. Shortly after receiving his commission he, too, marries and, like Mr. A., after a period of time finds himself the father of two fine children. But this is what happens to Lieut. B meanwhile. His first duty station, let us say, was Boston. It is there his first child was born. Knowing his tour of duty in Boston to be definitely limited, he found a small apartment for his family. Yes, small indeed—in everything except the monthly rental. But, having dedicated himself to service to his Country, he has learned, even in the early stages of his career, to take the bitter with the sweet. He was still making sizable monthly payments on all those items of uniform and military equipment which the regulations require he must have. Not much left from the old pay check after squaring up the debts, and equities do not accrue from monthly rental payments. In the cold weather of Boston, his family needed plenty of warm clothing. That wasn't cheap either. Oh, well, they were not doing too badly, they thought, in spite of the fact that their second child was on the way. Then came that soon to be familiar official communication bearing the subject "Orders; transfer; travel." So Lieut. B and his family went to Panama and here he must buy tropical clothing for the whole family. A thirty-dollar overcoat bought for Junior in a cold climate is worthless and unwanted in a tropical one. Besides, it will be too small when they go to a cold climate. Sorry, no Government quarters available for them there, so he had to put up at a none too good yet expensive hotel until their belongings arrived. Then more expensive apartment rental. After a normal tour in the Canal Zone, Lieut. B was transferred to San Francisco—later to Europe, Seattle, the mid-Pacific, Texas, Ohio, the Fare East and so on to points 'round about the globe at prescribed intervals.

In theory the Government foots the bill when military

personnel are moved about on orders, but military personnel alone know the heavy drain on the pocketbook which results from maintaining the family in a hotel and eating out in a strange place, for a month or more, waiting for the furniture to arrive. Lieut. B, because of his status as an emissary of his Government, is obliged to attend many functions, the protocol of no few of which call for civilian clothing, which he must have and maintain in addition to his elaborate wardrobe of uniforms of many styles and weights all of which he purchases out of his modest pay.

Lieut. B, therefore, lives on a day-to-day basis, always with the thought of maintaining himself in his chosen profession—that of the defense of his Country. He has spread no tangible economic roots. It would not have been good business to do so, even had his modest pay permitted. The education of his children presented a further problem. Often he had to provide a private tutor to help them make up subjects lost during periods when change of duty stations precluded normal school activity. These are but a few of the reasons why Lieut. B, now holding the comparable rank of Captain, has not accumulated sufficient unobligated wealth, so that he might be considered provident. A further promotion to the relative rank of Major is a big help, but with it comes an overseas assignment. His family cannot accompany him. They face the separation, and make plans for the family until future orders will bring them together again.

While on this assignment, fate deals Major B a crushing blow. In his performance of his military duties, he loses a limb. Thus he can no longer meet the high physcial standards necessary to continue his military career. He returns to the States and is retired. With his family he tries to formulate a plan for their future. How can he best adjust himself to the requirements of civilian life? His life's work has been the military. He has devoted himself wholeheartedly to his Service and has studied long and hard to equip himself to be a good officer. He is prepared for little else. A home must be found. True, they have some savings, but even a modest home, hardly large enough for four, demands a down payment beyond his ability to pay. Even with his savings, coupled with retirement pay, he is not able to embark upon a home buying program. He must find work. Being handicapped, he must seek something within his physical limitations. One after another prospective employers inquire as to his business background. His age, too, is a hindrance. Any reader can call upon his imagination to guess the rest.

The moral of our story is that a military man, to be a good military man, must give it everything he has. This he can do only by giving his profession his undivided attention and not by eyeing the outside looking to inevitable retirement. Adequate pay scales, with proper retirement benefits, must be provided to insure his maximum effort and efficiency in behalf of the interests of a strong national defense. He cannot be a good military man if he flinches from danger, nor may he entertain any fear or inhibition. He must have faith and confidence in his Government that, should he, in the call of duty, be suddenly forced from the active military service which he loves, his Government, in a true spirit of gratitude alone, will grant him a security as high and as noble as were his sacrifices to help make our Country what it must forever be—a land of the free and the home of the brave.

On the timberline of the mountain, where the storms beat in full fury, we find the sturdiest trees, the hardy veterans of ten thousand blasts. In the hothouse is produced the puny plant that fades in a day. The hardest wood we use is taken from the trees that have weathered many a storm. So it is in the moral realm. Adversity is hard to bear, but it tries the soul and strengthens it. God gets His best soldiers from the lowlands of affliction. And when at last He looks men over, it won't be for MEDALS, but for SCARS.

SERVICE PAY REPORT

(*Continued from Page 1*)

correlate military with civilian pay for comparable responsibility. In the opinion of the Committee, the scale approved in 1946 continued many fundamental inequities and the Committee's report points out that the percentage increases over 1942 averaged about 12% for officers, 15 to 20% for the higher grades of enlisted personnel, and 50% for the entry enlisted grade, further exaggerating the trend favoring enlisted personnel.

Elsewhere in this issue is a brief history of pay legislation.

A principal factor uppermost in their minds in developing and proposing a pay scale for officers, the Commission explains, was that career compensations should be adequate to attract competent men who will have the responsibility of leading our military forces and planning our national defense and that a fair retirement plan should be provided. The pay recommended, based on a reasonable career expectancy for promotion, indicated by the report, follows the pattern of industry up to the point of time when retirement becomes available.

The proposed pay scales eliminate entirely the provisions of present laws by which officers enter higher pay grades after certain lengths of service and further provide no increases for longevity for Lieutenant Colonels, Majors, Captains, First Lieutenants and Second Lieutenants after 26, 18, 16, 10 and 10 years service, respectively.

Taken into consideration was an observation by the Commission that the rewards of our military leaders in the past have been modest pay, security, and the affection and respect of the people. The Commission has not recommended pay scales for the military paralleling the civilian pattern in the highest brackets even though it believes that comparable pay scales at lower positions are sound.

Continuation of the present tax exemption now enjoyed by service personnel, the Commission recommends, should be extended only until the compensation is equitably adjusted.

With respect to warrant officers, wide differences were found by the Commission to exist among the various services in the concept of the duties of warrant officers, their qualifications and status. Although new warrant officer pay grades and scales were recommended tending toward uniformity, the Commission states that unless warrant officer programs and systems within the various services are made uniform, the proposed scales would exaggerate present inequities. The Commission therefore recommended that the Services join together, as soon as practicable, to establish a comprehensive warrant officer structure which can be universally applied. The Commission states that warrant officer grades on the proposed pay scales correspond to the present pay grades, but without regard to the qualifying service years and indicates expected total years of service as 26, 20, 14 and 10, respectively, for entry into warrant officer pay grades 1, 2, 3, and 4.

Hereinafter summarized are the pertinent portions of the report containing the views of the Commission with reference to retirement, severance and death benefits, as recommended.

In the opinion of the Commission the only reason for a retirement program not subject to serious debate, and which has a philosophy behind it that can be upheld without important challenge, is that the fundamental purpose of a retirement plan (accompanied by compulsory retirement at a fixed age) is to meet the superannuation problem. The services must, they agree, be kept alert and vigorous if they are to perform their function successfully in critical times. It is evident they understood the services can scarcely be kept alert and vigorous and provide the kind of leadership necessary to win wars unless men are compelled to retire from active service at reasonable ages and there is immediately available to them an appropriate retirement benefit.

The Commission suggests that their plan to cover the

problems of voluntary and involuntary retirement, and of disability retirement, is based on this fundamental principle; is designed primarily to meet the many problems of superannuation and the proposed death benefit plan is a logical corollary, considering the problem of survivors of those who die in the services or after retirement.

Similar retirement, disability and allied benefits are recommended for officers and enlisted personnel of the regular and reserve components.

Based upon the assumption that the recommended pay scales for personnel of the Uniformed Forces are adopted, which relate to civilian rates of compensation, the Commission expresses the belief that a fair and related plan of retirement pay, severance pay and death benefits should be provided.

Present law provides that an officer can request retirement after 20 years of service, but there is no obligation of the Government to grant such a request. The Commission proposes a change in these provisions so that such an officer will have the right to retire if he has 20 or more years of service after he has reached age 60 and the right to request retirement at any age after 30 years of service. Under the terms of this provision, the privilege of requesting retirement is reserved for a period of 5 years to officers having over 20 years of service at the time of enactment.

All of the requirements and provisions of the proposed plan of service and disability retirement shall apply to all persons presently on the retired lists, and their retirement benefits shall be recomputed accordingly based on an extension of the proposed pay scales and other provisions of the proposed plan, provided, however, that no present retirement benefit shall be reduced in amount because of such recomputation.

Because of the different nature of the mission of the seven services involved, varying ages have been established at which personnel must be retired under existing law. The Commission recommends that in no case should the mandatory retirement age for officers be below 60.

Present law applicable to the Army and Air Force providing for retirement and pay of personnel in the highest temporary grade satisfactorily held for six months while on active duty in World War II, should be extended to all persons now on the retired lists, subject to the same conditions.

A belief expressed by the Commission is that, if the proposed pay scales are applied to those now retired for purposes of recomputing retired pay, then it is only fair that all provisions of the new retirement plans apply, providing only that no present retirement benefit be reduced. Thus, if a person now retired for disability had less than 30% disability at the time of retirement, the new pay scale would apply, but since he could not qualify at all for continuing disability retirement benefits under the proposed plan, his present retirement benefit would continue unchanged.

Since Reserve personnel of the Public Health Service now earn retirement benefits under laws applying to the Civil Service, whereas regulars are retired in accordance with the law applying to the Uniformed Services, the Commission recommends that Reserves of the Public Health Service be treated in the same manner and retired under the same provisions of law as Reserves of the other Services.

Voluntary retirement pay of officers, as recommended by the commission, shall be computed at 2½% of the active duty annual base and longevity pay which the person would be receiving, if serving, at the time granted such pay, on active duty in the highest federally recognized grade, temporary or permanent, satisfactorily held at least six months by him during his entire period of service, multiplied by a number equal to the number of years of active Federal service, not to exceed 75% of the active duty pay.

A distinction drawn by the Commission between the Reserve or part time military person and the regular or career military person is the principle of a deferred retirement benefit for the Reservist to begin at age 60, based on actual creditable service. Should, however, active service of a Reserve officer qualify him for other retirement, he should be accorded equivalent treatment with a regular. This in no way limits the benefits available to the Reserve under the provisions of Title III, Public Law 810, 80th Congress, but does, in certain cases, provide him with an alternative.

The Commission recommends involuntary retirement for officers after 20 years of service, providing retirement pay to begin immediately, retirement pay to begin at age 60, or severance pay, depending upon length of service at time of such retirement.

To become eligible for disability retirement pay, disability retirement benefits are recommended by the Commission on the basis of a minimum requirement of 30% disability under Veterans Administration standards, and periodic physical examination should be made during the first five years of retirement for disability. Severance pay or service retirement, if eligible, is recommended for officers separated with less than 30% disability.

If during the five-year period an officer is found physically qualified and has not reached age 60, the Commission recommends he be returned to the active list; if not found qualified for active duty, determined as of the end of the five-year period, and he has had 25 years of service, including time spent on disability, and if he reaches age 60 during the five-year period, he should be reclassified to a service retirement status. According to this provision, any time spent on disability retirement will count toward eligibility for service retirement, but will not count toward the years of service used in computing the annual retired pay.

Persons in the Reserve components are entitled to the same benefits as those in the regular services, providing, the report stipulates, that benefits will be paid only where the disability results directly from conditions or circumstances incident to acting under competent orders on active duty or under competent orders on inactive duty training.

No person may receive disability retirement pay for disability simultaneously from two or more agencies of the Federal government, e.g., from the Army and the Veterans Administration, but the report provides he may elect the more favorable benefit, and that such election shall be final.

Persons eligible for voluntary retirement who are removed from the active list by reason of disability, shall have retired pay computed and paid under the service retirement provisions. Such removal, as recommended by the Commission, shall be deemed a service retirement.

If the Federally recognized grade held or authorized at time of decision by a retiring board is higher than that held satisfactorily for six months or more, the Commission recommends the higher grade shall be the base for determination of disability retirement or severance pay purposes, and if subsequently reclassified to service retirement, the amount of such service retirement pay shall not be reduced by reason of the six months-in-grade provision.

No minimum period of service is prescribed where disability results directly from conditions or circumstances incident to orders on active duty or under competent orders on inactive duty training. Disability retirement pay recommended to be 2½% per year of service, with a minimum of 50% of base and longevity pay.

In cases of disability of persons in the Regular services and persons in the Reserve components on extended Federal service not resulting directly from conditions or circumstances incident to acting under competent orders on active duty or under competent orders on inactive duty training, the Commission recommends that: (a) At least 15 years of active Federal service be required to be eligible for disability pay at 2½% per year of service, with a minimum of 50% of base and longevity pay; and (b) Severance pay is recommended

for those so separated with less than 15 years of active Federal service. No disability benefits are provided, in such circumstances, for persons in the Reserve components not on extended active Federal service.

A further provision of the report is the recommendation for death benefits up to $10,000, with certain limitations and restrictions, to be paid qualified beneficiaries of the Uniformed Forces. The death payment would be payable to the widow, widower, children under 18, or parents, in that order. If this plan is adopted, the present death gratuity of six months pay would be discontinued and National Service Life Insurance would be closed to future entrants.

Continuous study and review of the wage structure is urged by the Commission. The scales recommended, its report states, were not proposed as permanent compensation for the Uniformed Services. The Commission believes that, if the pattern it has established proves sound, it should be possible in the future to raise or lower basic compensation on a percentage basis in accordance with general economic trends.

SURVIVORSHIP BENEFITS

In addition to the proposed drastic reduction in retirement benefits for the future of those who, in general, have not completed thirty years of continuous service and its failure to recommend the application of the new increased rates to those retired prior to the enactment of the proposed legislation, the Hook Commission Report, insofar as it recommends death benefits for the widows and survivors of military personnel, limits drastically the application of those benefits. For example, the widows and surviving minor children of personnel previously retired would, in general, not be included, nor would the widows of retired personnel previously deceased.

We have taken the position that all should be included, on the theory that the widow of a deceased military officer who, by happenstance, has died before the enactment of legislation providing benefits is as much entitled to such benefits as the widow of one who happens to have been on the active list at the time the new legislation is enacted. We have so expressed our views in the past and have made strong recommendations to the responsible authorities toward that end.

We propose to continue to do so in connection with an enlargement of the new proposals.

A BRIEF HISTORY OF PAY LEGISLATION

Officers

Practically since their inception, the Marine Corps, the Coast Guard and the Public Health Service have been grouped with respect to pay with either the Army or the Navy. In 1899 the Navy and the Army were brought together on the same scale of pay and allowances. The Coast and Geodetic Survey was paid on an independent basis until 1920 when this service was granted the same pay and allowances as the Navy.

The last revision of pay for these services made in a stable period was the acts of 1908. At the time of passage of these acts there were no radical changes imminent in either the services or the economic conditions of the country. Since the previous major change in the pay structure in 1899, the cost of living had increased approximately 25 percent. The acts of 1908 were intended to compensate for this change in purchasing value of existing pay but had no abnormal circumstances surrounding their enactment. It is, therefore, to be presumed that the acts of 1908 represented the evaluation by Congress of the worth to the Government of the services of military personnel under the then existing standards, which may be considered as measured by both the salaries paid by industry and the purchasing value of the pay authorized. The validity of this presumption was established in a special study made by the Coast Guard in 1930.

Prior to 1899 the Navy pay scale was based on grade, with an increment for service in grade; the Army scale had provided for additional pay for total service. In the Act of 1899 the latter was continued and the increases for service in grade were abandoned. This pay structure was confirmed in the Act of 1908, but the basic principle that compensation should be based on responsibility borne and service rendered was sustained in that the base pay established for any rank, even though increased for longevity, could not exceed the base pay and longevity of the next higher rank.

In 1920 the Act of 18 May granted war bonuses ranging from $420 to $840 per year to the various ranks below the rank of brigadier general. This Act was the first instance where Congress attempted by a joint pay act to cover widely diverse conditions affecting six military and civilian services. It was intended only as a temporary measure to grant some measure of relief to all in like distress, and was to expire on June 30, 1922. It was also vital to the military and naval services that the pay of officers be increased over the 1908 schedule, since the lucrative employment then open in civil life had brought about resignations in daily increasing numbers, a situation of some public concern which is equally true today.

The Joint Service Pay Act of June 10, 1922, provided for a general readjustment of pay and allowances and put the six services together as regards to pay. Permanent legislation was essential at that time to prevent the services from reverting on July 1, 1922, to the 1908 pay scale, which would have substantially reduced the standard of living of all service personnel by virtue of decrease in the purchasing value of the pay, with a further relative reduction in view of general increases in all civilian salaries. However, unlike the 1908 Act, the Joint Service Pay Act did not confirm the previous concepts of pay. This act was designed to provide, not pay or allowances for services rendered, but rather a compensation that would allow the officer to maintain himself and his family with reasonable decency under the various conditions of service and at minimum cost to the Government. The hearings preparatory to the act brought out the following conditions that the bill was to fulfill.

a. The new pay schedule to cost less than the current schedule, on account of the economic conditions (at that time—the post—was recession/depression had set in).

b. The services to offer attractive careers for young men of character and ability from the point of view of pay.

c. The personnel of all the services to be on a parity as regards pay and allowances.

d. Length of service to be a controlling factor in determining rates of pay.

e. An element to be introduced in the compensation of an officer which would, within limits, increase or decrease his total compensation as the cost of living increased or decreased.

f. Some extra compensation to be allowed an officer to enable him to care for his family, because the service conditions under which he lives are so dissimilar to those existing in civil life.

g. Requirements of junior officers in the matter of living conditions to be considered as somewhat less than those of older officers.

h. Pay of enlisted men to be simplified and made adequate to meet normal living requirements including the family needs of the higher grades.

i. The initial pay of an enlisted man to be small because of his relatively little value to the service in the early part of his career, but his pay to increase to a maximum sufficient

to attract good men to the service and keep them there; such maximum not to be related to the pay of a second lieutenant, who is just starting his commissioned career.

As this is the basic act under which officers are paid today, it might be well to summarize the pay structure established by the Act. Generals and Lieutenant Generals receive the pay of a Major General, plus personal cash allowances of $2200 and $500, respectively. Brigadier Generals receive the same pay as provided for a Colonel with 30 years' service. Commissioned officers below the rank of Brigadier General were allocated for pay purposes into six pay periods. An annual base pay was established for each pay period but, although there are six grades of officers and six pay periods, a single pay period does not relate exclusively to a single grade as might be assumed. An officer's total length of service enters into the determination of his pay period in such a manner as to make it possible for an officer of any given grade by reason of respectively relatively long or relatively short service. Longevity pay on a percentage basis of five percent for each three years of service further distort the pay scale. Allowances granted varied with the numerous periods and the status of the officer's dependents, with the highest subsistence allowance in the fourth and fifth pay periods, not the fifth and sixth as might be expected. Limitations placed on the total pay and allowances of general officers and those in the sixth pay period made it possible for officers several grades junior to receive equal or greater total pay and allowances. The limitations were subsequently removed, but the basic structure remains unchanged. In both the 1920 and 1922 Acts, benefits were applied only to officers below the rank of Brigadier General.

The many anomalies in compensation brought about by the pay structure established in 1922, plus the steady decrease in the purchasing value of the pay and general higher civilian salaries, induced recurrent agitation which resulted in numerous Army, Navy, and Interdepartmental pay status between 1928 and 1938.

The first series of boards occurred during 1928-1930, first with separate Army and Navy boards, then followed by Interdepartmental boards. All these boards followed essentially the same lines of reasoning and principles and adopted similar recommendations. However, the rates of pay suggested were too high according to Congress which suggested that a new promotion system was the first requisite to a new pay system. Consequently, a Joint Pay Personnel Board deliberated, but came up with the same pay proposals which had been thought too high previously. Hence no action was taken by Congress. These boards announced the following principles:

a. Pay should be based fundamentally on responsibility borne and service rendered.

b. Pay should be adequate to insure such material remuneration for a successful career in the military service as is comparable with that of like success in civil life to attract and hold men of character and ability.

c. Pay should be adequate, based on the current purchasing value of the dollar, to enable all officers to maintain a decent standard of living without undue financial worries.

d. Rental and subsistence allowances should be consolidated with pay.

e. A base pay should be established with one or more increments for service in grade.

f. Pay of warrant and commissioned warrant officers, appointed after years of enlisted service and whose further promotion is restricted, should be determined without regard to that of commissioned officers.

g. To avoid confusion and multiplicity of decisions, the law governing pay should be drawn in explicit language and should provide for a simple system of administration.

h. No person to receive greater base and longevity pay than any in a higher rank or grade within the same category.

The next series of boards came up to 1938. The Interdepartmental board featured a minority report by the Navy and Marine Corps which re-announced the principles of the 1928-1930 boards with the exception that allowances were reinstituted. The majority report of this joint board considered the 1922 Pay Act essentially sound and favored longevity as the principle basis for pay. This was the main cause of the split decision in this board. The result was, again, no action by the Congress.

The Interdepartmental Pay Committee of 1941, unlike all previous pay boards and committees, considered the principles upon which the Joint Service Pay Act of 1922 was based to be fundamentally sound. In its essential requirements for a proper pay system, this committee set forth the following principles which are in direct conflict with those previously endorsed.

a. The necessity of providing for a family and dependents should be accepted as a normal condition among career personnel and adequate provisions included in the pay system for maintenance of dependents.

b. Total compensation should include pay and allowances, and allowances should be so adjusted that they will accomplish the purpose for which intended and that purpose is to properly combine justice to the individual and economy to the Government.

The recommendations of this committee resulted in the Pay readjustment Act of 16 June 1942, which gave a small increase to the first pay period, increased the rental allowances of the first to the third pay period, increased the subsistence allowance for all officers, and removed the legal limitations from the total pay and allowances of general and flag officers.

As a result of the general increased cost of living, the Interdepartmental Pay Board of 1946 recommended a flat increase of twenty percent on all base pay, rental and subsistence allowances. Following this recommendation, Congress, in the Act of 29 June 1946, gave all officers in the first two pay periods an increase of twenty percent of base pay and longevity, those in the third pay period an increase of fifteen percent, and those in the remaining pay periods an increase of ten percent. This was actually the first increase given officers as a group, and officers of general rank and the fourth, fifth and sixth pay periods, since 1922, and for officers of general or flag rank their first increase since 1908. However, the basic structure of the Joint Service Pay Act of 1922 remains unchanged.

It is interesting to note that the net results of the many separate and joint pay boards were the Act of 1942 and 1946. Neither of the board which preceeded those acts came out with any new concepts basically different from the 1922 act. However, all the boards from 1928 to 1946 used the high cost of living as a basis for new pay.

In the last session of Congress, comparable promotion laws were enacted for the Army, Air Force, Navy and Marine Corps. Similar legislation will be brought before Congress early in its next session for the Public Health Service and the Coast and Geodetic Survey. In resolving this problem the main stumbling block to revision of the 1922 pay structure has been removed. Stagnation in rank has, to a large extent, been brought under administrative control. Steady progress through the various ranks is now reasonably assured for the successful officer and a career pay schedule can be reestablished.

Nurses

The Army and Navy Nurse Corps were paid on a separate pay scale from the time they were established. However, permanent commissioned ranks in the Regular Army and Regular Navy have now been provided for members of these corps by acts of Congress, they are entitled to the same pay and allowances as other regular commissioned officers, and no longer should be considered separately in pay legislation.

Enlisted Personnel

The pay schedules of enlisted men of the Army were early fixed by specific acts of Congress, but until 1908 the pay of enlisted personnel in the Navy was fixed by the President under Executive Order. Although the pay for both services was thereafter established by Congress, intermingled grades and ratings were continued for the Navy until 1920, and specialist ratings in the Army and Marine Corps were not eliminated until 1942.

Subsequent to the National Defense Act of 1920 which established the present pay grades, and the Pay Readjustment Act of 1922, the main difference in the average pay of the enlisted men in the various services has been that the large scale mechanization of the Navy and Coast Guard required a higher percentage of personnel in the petty officer grades. This has been, to a large extent, equalized in the other services in recent years and the rating structure for all services is more nearly parallel.

A common pay scale for all services was established in 1922, except that rates of $60, $54 and $36 were authorized for the fourth, fifth and sixth pay grades, respectively, of the Navy and Coast Guard, while rates of $54, $42, and $30 were provided for similar grades of the Army and Marine Corps. This was offset by clothing money allowances received by Army and Marine Corps personnel, but not authorized for the Navy and Coast Guard. Subsequently, similar allowances were authorized for the latter two services and the Pay Readjustment Act of 1942 established all services on an identical pay scale for enlisted personnel.

The Pay Readjustment Act of 1922 was intended to provide for an attractive career, and to make adequate provision for normal living needs, including the family needs of the higher enlisted grades. Pay rates were based on grade, rating and length of service, with appropriate allowances provided or continued. This act confirmed the material increases in base pay for the more professional element in the higher ratings, and materially decreased the pay for the personnel of the two lower grades who are, for the most part, under training and of little real value insofar as service rendered is concerned.

The various pay boards and committees convened between 1928 and 1938 concerned themselves mainly with the officer pay problem. The Interdepartmental Pay Board of 1929, with the later concurrence of the 1930 Board, recommended no important changes in the basic system of enlisted pay and allowances, and no increase in the fifth, sixth or seventh pay grades. The "Fairfield Board" recommended increases for all grades in the Navy, the so-called "Envelope Pay Bill" of 1937 proposed increases only in the second, third and fourth grades, and the "Saddler Board" report included increases for all grades. However, no legislation was enacted as a result of any of these recommendations.

The first increase in pay for enlisted personnel after the Act of 1922 was $10 per month for all personnel after twelve months' service authorized by the Service Extension Act of 1941.

The Act of March 7, 1942 provided that the base pay of any enlisted man, warrant officer or nurse in the military or naval forces shall be increased by twenty percent and base pay of any commissioned officer in such forces shall be increased by ten percent for any period of service while on sea duty, or duty in any place beyond the continental limits of the United States or in Alaska, such per centum increases to be included in computing increases in pay for aviation and submarine duty. This was confirmed in the Act of June 16, 1942, to be in effect twelve months after the termination of the present war. Subsequently, the limitation was stricken out by the Act of October 6, 1945, and the increase became permanent.

The Pay Readjustment Act of June 16, 1942 was designed to establish a career pay scale by readjustment to provide an equitable progressive increase in pay throughout the seven enlisted grades and a suitable increase for each, to disparities insofar as possible, to simplify the longevity pay system, and to recognize all military service alike by authorizing longevity pay on the same basis for service in any or all of the six services and their reserve components. This Act increased the base pay of all grades for all services and established pay schedule: First pay grade, $138; acting first grade, $126; second grade, $114; third grade, $96; fourth grade, $78; fifth grade, $66; sixth grade, $54; seventh grade, $50. Longevity pay increases of five percent for each three years of service not exceeding thirty years were authorized in lieu of the previous longevity pay system. The temporary increase of $10 per month after twelve months' service authorized by the Service Extension Act of 1941 was eliminated. Monetary allowance in lieu of quarters was continued for enlisted personnel of the first, second, and third grade having dependents, as was extra pay of from $1 to $5 for special qualification in the use of arms.

The Servicemen's Dependents Allowance Act of June 23, 1942, authorized family allowances for all enlisted personnel having one or more dependents as defined by the Act.

In an effort to keep pace with the steadily increasing cost of living, Congress, in the Act of June 29, 1946, increased the base pay of all enlisted men of the services to the following: First grade, $165; acting first grade, $150; second grade, $135; third grade, $115; fourth grade, $100; fifth grade, $90; sixth grade, $80; and seventh grade, $75. The increases in pay resulting from this amendment were made applicable to active duty, retired, retirement, and retainer pay.

Warrant Officers

Warrant officers are, in general, appointed from enlisted status (first or second grades) after considerable service, and although they are considered expert in their specialty they normally do not fulfill all the requirements for appointment to unlimited commissioned rank, either because of age, educational background, or specialization rather than general experience, and lack of vacancies in the past have generally precluded such appointment even though fully qualified.

Prior to 1942 these officers had been paid on an individual pay scale without regard to the scale for commissioned officers. However, the Pay Readjustment Act of 1942 authorized the pay and allowances of the first period for warrant officers, and this was confirmed in the Act of June 29, 1946.

Advancement of warrant officers was restricted to unlimited appointment as ensign, for which they were usually not in all respects qualified, until the Act of March 3, 1899, which provided for commissions in chief warrant ranks. Chief warrant officers in the Navy and Coast Guard were provided only one base pay until 1916 when the pay and allowances of a lieutenant (junior grade) was authorized after six years' commissioned service with creditable record, and those of a lieutenant after twelve years. Subsequently they were authorized the pay and allowances of the second period during the first ten years of commissioned service, those of the third period after ten years of commissioned service with creditable record, and those of the fourth period after twenty years of commissioned service with creditable record. The base pay was increased to $2520 per annum in 1946 for commissioned warrant officers with less than ten years of commissioned service, and others benefitting by increases in the third and fourth periods. However, a limitation on total pay and allowances, currently set at $550 per month, has consistently been placed on all commissioned warrant officers even though all limitations for other officers have been abolished. Provisions similar to the above are made for warrant and commissioned warrant officers in the Marine Corps.

As the pay laws now stand, warrant officers for these services receive the pay and allowances of the first period; commissioned warrant officers with less than ten years of commissioned service have their base pay set by law and receive the allowances of the second period; after ten years with creditable records they receive the pay and allowances of the third period, and after twenty years they receive those of the fourth period.

In the Army, the original warrant officers were in the Army Mine Planter Service in various grades from Master to Assistant Engineer. In 1916 and 1920 separate pay scales were set up for these grades and their scales continued to be separate until 1942 when their pay was tied to that of the first and second officer pay periods with a certain few, designated by the Secretary of War, to receive pay of third and fourth periods. The latter were, and are, very few, however.

Sea Duty

For the first time since 1862, the Act of 1922 provided that no commissioned officer while on sea or field duty shall receive any increase of his pay or compensation by reason of such duty. The Navy and Marine Corps operate in time of peace under conditions comparable to that of war. Over fifty percent of Naval officers are on sea duty at all time. Personnel at sea operate on a war footing, often remaining away from their home port for long periods. The hardships of inadequate and temporary accommodations, coupled with the expense involved in the maintenance of separate households while at sea, or prolonged separations and travel expense where only one household is maintained, had theretofore been recognized and compensated at the rate of ten percent to twenty percent additional pay for service at sea. The Act of March 7, 1942, reinstated an increase of ten percent of base pay for any commissioned officer while on sea duty or on a foreign station; this increase was confirmed in the Act of June 16, 1942, and permanently reestablished by the Act of October 6, 1945.

(Ed. Note—The above constituted Appendix "C" to the report of the Civilian Advisory Commission on Armed Services Pay.)

SPECIAL NOTICE

Advance issue of this edition of the Bulletin is made so that our members may have timely information concerning pending pay and retirement legislation.

RESERVE RETIREMENTS

The Secretary of Defense has appealed to the Comptroller General for reconsideration of a recent ruling wherein it was held that a member of a reserve component of the armed services, separated therefrom before attaining age 60, is not entitled to retirement benefits under Public Law 810 (80th Congress).

It is the view of the Defense Secretary that Title III of the law provides retirement benefits for any individual with 20 years satisfactory service in a reserve component when he becomes 60 years of age, regardless of his status upon reaching that age.

Pointing out that the implementation of Sections 301 (b) and 308 thereof are deemed to be purely administrative and in no way apply to eligibility requirements, he stated other provisions of the Act indicate Congress did not intend that its beneficiaries must be in the reserve at the age of 60 years.

RETIRED PAY DECISION

The United States Court of Claims decided on 6 December 1948 that an officer of the Army who served on active duty prior to 12 November 1918, until 1926, when he was retired for physical disability, and who was subsequently advanced in 1944 to a higher grade on the retired list, while serving on active duty 1942-45, when additional physical disability incurred on active duty again caused his return to the retired list, is entitled to have counted his inactive service on the retired list from 1926 to 1942, for the purpose of computing his retired pay upon reversion to inactive status in 1945.

The instant action of the Court reverses a former decision of the Comptroller General (26 Comp. Gen. 323) that officers of the Army, under such conditions, were not entitled to have inactive service on the retired list counted for retired pay purposes. It also has the affect of assimilating pay of the Army to that of the Navy in this respect, since retired naval officers, under similar circumstances, have received pay credit for inactive retired service.

Applicable law here involved is the last paragraph of Section 15, Pay Readjustment Act of 1942 (56 Stat. 368), providing that the retired pay of any officer of any of the services mentioned in the title of the Act who served in any capacity as a member of the military or naval forces of the United States prior to 12 November 1918, thereafter retired under any provision of law shall, unless such officer is entitled to retired pay of a higher grade, be 75% of his active duty pay at the time of his retirement.

Commenting upon those provisions, the Court stated:

On 26 December 1944, when the plaintiff was promoted on the retired list to the rank of major, he was receiving active duty pay as an officer of such rank with over 23 years service under section 1 of the Pay Readjustment Act of 1942, supra. In addition, at that time under the same statutory provisions he was receiving eight "fogies" amounting to 5% for each 3 years of service, for his total of 24 years service. The plaintiff contends that it was the purpose of the Act of 29 June 1943, that upon his reversion to the retired list following his promotion thereon he should receive retired pay computed at the rate of 75% of such active duty pay.

We think plaintiff's contention is correct. The language of section 15 of the Pay Readjustment Act, supra, is clear and unambiguous as to officers who had served in the military or naval forces prior to 12 November 1918. This plaintiff was first appointed on 1 November 1918, and he comes within this provision

*At the time he was promoted on the retired list to the rank of major he was receiving active duty pay based on 23 years service. Under section 1 of the Pay Readjustment Act, which provides that officers on active duty "shall be credited with full time for all periods during which they have held commissions as officers * * *," he was entitled to receive pay computed at the rate of 75% of such active duty pay.*

It should be noted that this provision is limited to officers who served in any capacity as members of the military or naval forces of the United States prior to 12 November 1918.

(Ed. Note—A primary consideration in arriving at the above decision was that the officer in question was retired for the second time as a result of additional physical disability incurred while on active duty. Had he not been so re-retired, the provisions of law cited would not have applied)

WORLD WAR II STATE BONUS LAWS

The below listed states and territories have enacted legislation to provide bonuses for veterans of World War II:

Alaska	Michigan
Connecticut	New Hampshire
Hawaii	New York
Illinois	Ohio
Iowa	Rhode Island
Louisiana	Vermont
Massachusetts	Washington

Bonuses in four other states—Indiana, Minnesota, North Dakota and South Dakota—have been voted, but further legislative action is required to provide the necessary appropriations from which the payments can be made.

Following are the conditions under which individual bonuses are authorized for payment to veterans claiming residence in the states indicated, or to the next of kin of servicemen of World War II:

ALASKA—$300 to veterans. One year minimum period of service required unless discharged for service connected disabilty. $300 to next of kin. Apply to Commissioner of Veterans Affairs, Juneau.

CONNECTICUT—$300 to veterans; $300 to next of kin. Apply to Veterans Bonus Division, State Armory, Hartford—before 1 June 1949.

HAWAII—$300 to veterans with 10% or more disability only. Apply Director of Veterans Affairs, Honolulu.

ILLINOIS—$10 per month for domestic service; $15 per month for foreign service between 16 September 1940 and 2 September 1945. Exceptions: Next of kin of deceased Illinois servicemen will be paid $900 if death was service connected and occurred between 16 September 1940 and 2 September 1945. Apply before 1 July 1949 to Service Recognition Board 301 West Adams Street, Springfield.

IOWA—$10 per month for domestic service; $12.50 per month for overseas service; maximum $500. Minimum requirement—120 days service between 16 September 1940 and 31 December 1946. Veterans must have had legal residence in the state for at least 6 months immediately prior to entering the service. $500 to war widows. Apply to Adjutant General, Des Moines.

LOUISIANA—$250 to veterans who served overseas between 1 January 1941 and 1 March 1946. Domestic service payments range from $50 to $150. $1,000 may be paid war widows. Legal residence at time of entering service is required. Apply to Adjutant General, Baton Rouge.

MASSACHUSETTS—$300 to veteran or to next of kin. Apply to State Treasurer, State House, Boston. (NOTE: Veterans of World War I in service between 3 February 1917 and 11 November 1918 are eligible to receive $100. Apply same address as above).

MICHIGAN—$500 to veteran or to next of kin. (NOTE: Veterans of World War I payable $10 for each month in service). Apply to Bonus and Military Pay Division, Adjutant General's Office, Lansing 1.

NEW HAMPSHIRE—$100 to veteran or to next of kin. Apply to Adjutant General, Concord.

NEW YORK—$250 to veteran or to next of kin. Apply to Veterans Bonus Bureau, Department of Taxation & Finance, 1875 North Broadway, Albany.

OHIO—$400 to veteran or to next of kin. Apply to Director World War II Compensation Fund, Columbus 15. (NOTE: Veterans and next of kin of veterans of World War I payable $250). For World War I payment—apply to Adjutant General, Columbus.

RHODE ISLAND—$200 to veteran or to next of kin. NOTE: Time limit for making application expired 30 June 1947.

VERMONT—$120 to veteran or to next of kin. (NOTE: $120 also payable to Vermont veterans of World War I) Apply to Veterans State Bonus Division, State House, Montpelier.

WASHINGTON—$10 per month for domestic service; $15 per month for overseas service between 7 December 1941 and 2 September 1945. Applicant must have maintained residence in the state before entering service. Apply to Adjutant General, Olympia.

Pennsylvania approved legislation to authorize a bond issue to pay a bonus in 1947. However, this proposal must gain further approval by the 1949 Legislature and be submitted to the voters in November 1949. Payments, therefore, would not be possible prior to 1950.

No bonus legislation has as yet been enacted in the following states: Alabama, Arizona, Arkansas, California, Colorado, Delaware, Florida, Georgia, Idaho, Kansas, Kentucky, Maryland, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, North Carolina, Oklahoma, Oregon, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, Wisconsin and Wyoming.

A proposal to pay a bonus to Maine veterans was defeated in the 1947 general election.

COMMERCIAL INSURANCE CLAIM

A jury in Helena, Montana, in two recent actions before it, reaffirmed the rule that when a career officer of the Army is retired by reason of physical disability and has no comparable civilian occupation in which to turn, is "totally and permanently disabled" within the meaning of contracts of insurance issued by commercial insurance companies.

Judgments were accordingly returned in favor of Col. A. A. Fall and Col. L. H. Bixby, both USA, Retired, in suits against commercial insurance companies, involving policies carried before disability was incurred in their individual cases.

ARMY RESERVE RETIREMENT REGULATIONS

On 28 December 1948, the Army released regulations prescribing the manner in which retirement of its Reserve personnel, under the provisions of Title III, Public Law 810 (80th Congress), shall be accomplished.

This directive outlines the conditions a qualified person may, upon application, be granted retired pay and have his name placed on the Army of the United States Retired List upon attaining or having attained the age of 60 years.

Basic requirements for such retirement benefits are the following: (1) has performed satisfactory service in status of commissioned, warrant or flight officer, or enlisted person in any component of the armed services; (2) has completed an aggregate of 20 or more years of such services in any or all services or components of which the last 8 years of qualifying service for retirement must have been as a member of a Reserve component. (However, simultaneous service as a member of a Reserve component and as a member of the Regular Army, Navy, Air Force or Marine Corps shall not be deemed to be service in a Reserve component); (3) if a member of a Reserve component on or before 15 August 1945, shall have performed active Federal service during any portion of either of the two periods, 6 April 1917 through 11 November 1919 and 9 September 1940 through 31 December 1946; and (4) is a member of a Reserve component at the time of application for retirement benefits.

Inquiries regarding and application for such benefits should be addressed to the Adjutant General, Department of the Army, Washington 25, D. C., citing as reference: Special Regulations No. 140-60-1—"Retirement Credits for Organized Reserve Corps Personnel."

ARMED FORCES HOSPITALS

In a recent report, the Committee on Federal Medical Services recommended the inclusion of practically all the existing Armed Forces hospitals under a proposed cabinet level department having administrative control over health, education and security.

We do not presume to argue the relative merits of the proposed centralization and control of medical facilities insofar as it relates to purely civilian needs. It is however, desired to point out the reasons we believe the transfer of Armed Forces hospitals to civilian jurisdiction to be unsound and ill-advised.

Ever since the inception of present military systems, the treatment and nursing of sick and wounded military personnel has been recognized as a necessary and integral part of those forces. As a consequence, highly efficient medical corps have been established and maintained, concerning themselves primarily with the practice of medicine and surgery peculiar to the military. They have developed, through actual training and experience, the techniques required to bring about effective recoveries of service personnel, and this coupled with their familiarity with military needs, provides for orderly redistribution of military personnel on completion of required treatments.

The basic mission of the military in times of peace is preparedness for war. In peacetime, therefore, all components of the Armed Forces study, plan and train for the eventuality of war. Coincidentally, medical personnel gain knowledge of the manner in which medical facilities must be expanded to meet wartime requirements.

If, as proposed in the report of the Committee on Federal Medical Services, all but two of existing Armed Forces continental hospitals are withdrawn from military control, future experience in hospital planning and administration would be denied those officers of the medical corps who, in the future eventuality of war, would have responsibility for setting up necessary "advance" hospitals. The net result of an inability to meet that all-important requirement is obvious. Military hospitals operate in direct support of the Armed Forces and their removal from administrative control of military command, even in peacetime, would seriously impair the effectiveness of the Armed Forces to operate, under emergency conditions, in any area.

The mere maintenance of dispensaries at military establishments on shore and of traditional sick bays on board ships of the fleet could never provide the means of developing the skill and efficiency necessary for hospital operations in wartime. Hospitals cannot be run on a trial and error basis. If military medical facilities are too closely geared to peacetime needs, it follows they shall certainly be inadequate for war.

Due to the "on the spot" care and attention provided at "behind the lines" hospitals, many a mother's son is alive today.

This excellent care and attention was made possible, not only because of the outstanding capabilities of those in command of the hospital facilities, but stems more from actual knowledge and familiarity with the medical needs of the services—where best to place them—and in what manner they should be conducted, so as to be most effective.

We believe in and advocate the reciprocal use of Armed Forces hospitals among the forces of the National Military Establishment, as is being done, to accord to the provisions of unification of the services. By the same token, however, we feel strongly that any attempt to remove existing Armed Forces hospitals from military jurisdiction could not help but seriously threaten the entire chain of military logistics, by attempting to hold together large forward and supporting units by a weak link which would inevitably part the chain.

Such proposals as the Committee recommends would remove from Armed Forces medicine all qualities which make it attractive as a career in clinical medicine. The Services have never yet nor, in our opinion, should they now, place less emphasis on the care of illness and accidental injuries occurring in peacetime. To go contrary to that principle appears a most unwise and unprofessional course.

As a matter of fact, should medical corps personnel of the Armed Forces be restricted to logistics-administrative functions without clinical background in peacetime, that same personnel would be poorly equipped indeed when called upon to direct large-scale military medicine in war or, for that matter, on foreign stations of varying climates in peace or in war. It must be recognized that a knowledge of both types of functions in the same medical personnel, i.e., logistics-administration training based upon a foundation of clinical experience, is essential. Medical officers of the Armed Forces are, in the strictest sense, specialists qualified by long training and experience to evaluate and meet the medical requirements of the personnel of the services and to most effectively understand and compete with the special medical problems that are encountered in the services. Competence in medical practice alone, is not sufficient to meet these needs. Familiarity with environmental, psychological and disciplinary questions peculiar to the services also is required. And it may be stated that these attributes are developed only after a long period of living with the situation.

The loss of Armed Forces hospitals, depriving military personnel of invaluable hospital experience so necessary for professional competence, would seriously cripple, if not wholly destroy, the entire medical organization of the Armed Forces, whose record of performance in the past war is well known to all. There can be no denying that such a move would tend to discourage graduates from medical schools, with a desire to embark upon service careers, to accept "clinical starvation" in an organization where medical practice would, in the main, be limited to the care of healthy men.

A view expressed by some that any doctor possessed of the requisite professional qualities can readily serve military needs as effectively as one who is trained along those lines, is totally without foundation. It is true that, during the past war Reserve medical officers rendered very outstanding services. Nonetheless, it must be borne in mind that their services were organized, controlled and directed under the guidance and leadership of medical officers of the regular establishments. There is no substitute for experience. Conversely, a lack of experience in times of stress and emergency is disastrous

Therefore, we believe that medical responsibility and practices of our Armed Forces should never be subjected to shifting policies. We adhere to the belief that adequate medical care for personnel of the Armed Forces should remain, without change, a responsibility of those who have lived close enough to, and long enough with, the Services to have acquired full and mature appreciation of what is essential to the maintenance of medical preparedness and the operation of efficient wartime medical services.

So long as preparedness for war is the primary function of the Armed Forces in times of peace, let there be no mistaking the fact that all-out preparedness cannot be achieved without an effective hospital system designed primarily and specifically to take its designated place in overall war planning.

Accordingly, it is our earnest hope that careful consideration of the factors enumerated above will be given by those in authority before arriving at a final decision with respect to the recommendations of the Committee on Federal Medical Services in their relation to Armed Forces hospitals, which have a real and direct bearing upon maintaining a high state of morale among personnel of the Armed Forces.

ARMY DAY—6 APRIL

Army Day, first observed in 1928, is now celebrated throughout the nation on 6 April, the anniversary of the entry of the United States in World War I, in tribute to and in honor of that first arm of defense which has served the country faithfully and well since the days of the American Revolution.

It is both proper and fitting that days such as this be set side, not alone to inform our people what their Army is, but more importantly to acquaint them with the character and proficiency of the men now charged with its share of responsibility for maintaining national security.

Born of a tradition of "Service to Country Rather Than to Self," the Army, like that of its sister services is dedicated more to the preservation of peace than to acts of war.

With its forces now spread 'round the world, the Army stands today preaching not the doctrine of death and destruction, but rather that of unity and accord among nations.

For years its personnel have engaged in the strenuous task of upholding this country's integrity, honor and self-respect throughout the world. They have devoted themselves wholeheartedly to the roles of "Ambassadors of good-will."

Equally strenuously, they have likewise devoted themselves to the practice of diplomacy to help maintain the peace. And on this Army Day, more than ever before, Army leadership is proving a vast influence in behalf of restoring normal conditions among peoples whose lives have been completely disrupted as the result of war.

The Army's mission is not now, nor has it ever been an easy one, but inspired by high standards and noble purposes, it has consistently approached its objectives in the firm and resolute manner of a team fighting to win a fight that is right.

Keeping abreast the changing times, the present day Army, with its scientific devices, modern equipment and highly trained and specialized personnel, is a far cry from the Minute Men of Lexington, but the grim determination handed down through the years by that hardy group has fired the soldier of today with a heritage which shall never be lost.

We of the Retired Officers Association join with the nation on this Army Day in the confidence that the glorious accomplishments of the Army in the past are but a forerunner to its continued success in the future.

ARMY NURSE CORPS ANNIVERSARY

We take this opportunity to extend sincere greetings and best wishes to the members of the Army Nurse Corps, active and retired, on the occasion of the 48th Anniversary of their Corps.

The skill and devotion displayed by these fine women in the outstanding performance of their humanitarian duties, often at great personal risk and sacrifice, has won for them, not only the thanks of those whom they have brought back from under the shadow of death, but the appreciation of a grateful nation which proudly pays tribute to their noble efforts with a hearty "Well Done."

THESE THINGS I KNOW

I have planted a garden, so I know what FAITH is. I have seen the birch trees swaying in the breeze, so I know what GRACE is. I have listened to birds caroling, so I know what MUSIC is. I have seen the morning without clouds, after showers, so I know what BEAUTY is. I have read a book beside a wood fire, so I know what CONTENTMENT is. I have seen the miracle of the sunset, so I know what GRANDEUR is.

And because I have perceived all these things, I know what wealth is.

ADDRESS OF REAR ADMIRAL R. T. McELLIGOTT, U. S. COAST GUARD

Following is the address given by Rear Admiral R. T. McElligott, Chief of Personnel, U.S. Coast Guard, before the luncheon meeting of the Board of Directors, 7 January 1949, describing the military personnel situation in the Coast Guard:

When Admiral Hamlet invited me to join you here today I was most gratified, for two reasons.

As some of you know, I expect to leave my present assignment shortly, and your invitation has afforded me the pleasure of meeting with old friends before departure.

But most of all, it gives me an opportunity to convey to you leaders of the Retired Officers Association how much we, who hope to be future members of your organization, follow with deep interest the objectives and program of the Association. The vitality, drive and accomplishment of your leadership, not only in the interests of retired officers, but of those on active duty as well, is deeply appreciated. It goes without saying that the welfare of officers on inactive duty has a direct bearing upon the morale and peace of mind of those who continue on active duty. For this reason, the significant contribution that you are making on behalf of all officers, will continue to pay dividends, not only in greater membership, but in the recognition of the organization as the spokesman for officers who would otherwise be voiceless.

The high regard and respect which you have earned is most impressive and inspiring to us all. The respectful hearings afforded your President, Vice Admiral Hamlet, and your Executive Vice President, Captain Willenbucher, by the Secretaries of the various Services and by the Committees of Congress during the past year attest to this.

Of course, we of the Coast Guard are especially proud of the honor that your membership has bestowed upon our distinguished leader, Vice Admiral Hamlet. Gratifying, too, is the large number of Coast Guard officers included in the Association's membership.

I follow your quarterly Bulletins with a great deal of interest. Incidentally, they are very readable, command interest, and seem to be even better with each issue. As a reader of these Bulletins, I know that you are very well informed regarding legislation affecting the Services.

Since the Coast Guard in a National emergency serves with and under the Navy, our forward planning presents us with personnel problems that are not different from those of the other Services.

As you know, in the last war, the Coast Guard was also greatly expanded. The first to demobilize—from 170,000 officers and men to less than 20,000—we have been beset with serious problems in carrying out our peacetime functions. Due to budgetary uncertainties, our military personnel has been a varying uncertain quantity. With expanded peacetime functions, inherited from the war, especially Loran and ocean weather ships, we have been forced to do much with very little. After intensive study, the last Congress recognized the essential nature of these functions and authorized a modest increase in personnel. The Coast Guard itself, however, recommended a gradual restoration of personnel, so that the increase this year is from about 17,000 to 20,000 enlisted men and a corresponding increase in officers. The added ships and personnel have been spread over the whole year in order that we might insure an orderly and economic expansion.

Meanwhile, we have concerned ourselves with the necessity of completing further plans for expansion of Coast Guard Reserve components. Here again, with demobilization and later expansion, our limited officer corps has been heavily taxed to meet current day to day problems of manning and administration.

Lacking adequate appropriations, progress has been difficult, to say the least. Yet, these past few months, we have

made considerable progress. Although we do not yet have the necessary funds to proceed with a vigorous training and refresher program, insofar as it is possible for us to do so, we are meeting our responsibilities. We have established Reserve Directors in our districts. Their first task is to bring Reserve personnel records up to date, locate and determine the availability of Reserve officers in their districts. Later steps involve full participation in training—in Coast Guard special training, such as port security—and full participation in Navy training at Navy facilities. Duplication will thus be avoided.

Presently, however, Reserve Directors are concerned with providing facilities for those who wish to acquire credits under Public Law 810, 80th Congress. Until appropriations become available, it is necessary to provide training without pay. The Navy has been very helpful, as always, in assisting us to plan and carry out this project. In the meantime our Temporary Reserve and Auxiliary function under their own directors.

As you know, the full utilization of manpower in another emergency is now taken for granted. Just how to meet the demands in the various categories of defense is a problem that is requiring serious study. Until final determination is made as to utilization of the various groups, not only in civilian defense, but in specialties, firm plans cannot be made.

From my own observation and reflections, however, these considerations and the awareness of them is bringing about a decided change in concepts. As you gentlemen well know, we are faced with tense and unpredictable international situations for an unforeseeable length of time. For any emergency that may develop, the demands of National Defense will be very great. Although we must retire at the statutory age of 62, I note that today those officers who are about to retire for other than physical incapacity do so with a lot of ifs. They can make plans for the future only with reservations. Today, many retired officers are, in effect, officers on indefinite waiting orders.

There is no question in my mind but that those retired officers who have perfected themselves by service and performance and are so well equipped to meet the demands of any situation, would be the first to be called upon, should the national interests so require.

DECISION OF COMPTROLLER GENERAL ON PUBLIC LAW 761 (80th CONGRESS) TO CREDIT SERVICE OF FORMER MEMBERS OF THE LIGHTHOUSE SERVICE

On 7 December 1948 the Comptroller General rendered decision B-7977 in which it was held that, for the purposes of implementing Public Law 761 (80th Congress) former Lighthouse Service personnel who became military members of the Coast Guard, pursuant to the provisions of the Act of August 5, 1939, are entitled to the following benefits thereunder:

(1) That service in the Lighthouse Service may be included in computing total length of service for all military pay purposes, including advancement in pay period as well as the five per centum increase for each three years of service.

(2) That service of former employees of the Lighthouse Service performed during the interim period between the date of the transfer of the Lightouse Service to the Coast Guard and the date when such personnel were commissioned, appointed, or enlisted in the Coast Guard, may be included in computing total length of service for military pay purposes.

(3) That the provisions of the instant Act are effective 1 July 1948.

We are informed by Coast Guard Headquarters that it was expected all adjustments of pay under the conditions above outlined would be completed by 1 January 1949.

SOCIAL SECURITY STUDY

The Advisory Council on Social Security, headed by the Hon. Edward R. Stettinius, Jr., has submitted to the Senate Committee on Finance the final report on its study of the manner in which the benefits of social security should apply.

In its relation to the Armed Services, the report adheres to the view of the council reported previously (2nd Quarter Bulletin 1948, p. 8) that, while career servicemen are eligible for retirement benefits after 20 years of service, the person who spends a shorter period in the armed services is seriously handicapped by the fact that his military or naval service is not covered under old-age and survivor insurance.

Accordingly, the council believes that members of the armed services who do not come under the servicemen's readjustment-allowance program should also be protected against the risk of unemployment on a permanent basis of peacetime conditions, and so recommends.

Under this plan, a further recommendation of the council is that members of the armed services should contribute toward the cost of their protection like all other employees, so as to give servicemen the same interest and stake in the system as those otherwise covered.

ARMED SERVICES COMMITTEES

Following are the members of the Congressional Committees on Armed Services:

Senate

Millard E. Tydings, Md., Chairman	Styles Bridges, N. H.
Harry Flood Byrd, Va.	Chan S. Gurney, S. D.
Virgil Chapman, Ky.	Leverett Saltonstall, Mass.
Lyndon B. Johnson, Tex.	Wayne Morse, Ore.
Estes Kefauver, Tenn.	Raymond E. Baldwin, Conn.
Lester C. Hunt, Wyo.	William F. Knowland, Calif.

House

Carl Vinson, Ga., Chairman.	L. Gary Clemente, N. Y.
Overton Brooks, La.	Dewey Short, Mo.
Paul J. Kilday, Tex.	Leslie C. Arends, Ill.
Carl T. Durham, N. C.	W. Sterling Cole, N. Y.
Lansdale G. Sasscer, Md.	J. Parnell Thomas, N. J.
James J. Hefferman, N. Y.	George J. Bates, Mass.
L. Mendell Rivers, S. C.	Paul W. Shafer, Mich.
Philip J. Philbin, Mass.	Charles H. Elston, Ohio
F. Edward Harbert, La.	Jack Z. Anderson, Calif.
Arthur Winstead, Miss.	Wm. W. Blackney, Mich.
Frank R. Havenner, Calif.	Leroy Johnson, Calif.
Melvin Price, Ill.	Harry L. Towe, N. J.
O. C. Fisher, Tex.	Leon H. Gavin, Pa.
Porter Hardy, Jr., Va.	Walter Norblad, Ore.
Wm. J. Green, Jr., Pa.	Jas. E. Van Zandt, Pa.
Clyde Doyle, Calif.	Jos. R. Farrington, T. H.
Edward deGraffenried, Ala.	E. L. Bartlett, Alaska.
John R. Walsh, Ind.	A. Fernos-Isern, P. R.

ONLY PRAISE AND GRATITUDE

After one of the crucial battles of the Civil War a mortally wounded soldier asked to see the Chaplain. When he arrived he supposed the young man would wish him to beseech God for his recovery, but it was very different. First the soldier asked him to cut off a lock of his hair for his Mother, and then asked him to kneel down and thank God. "What for?" asked the surprised Chaplain. "For giving me such a Mother. Thank God that I am a man. Thank God for giving me grace to die with. And thank God for the home He has promised me over there." And so the Chaplain knelt down by the dying man, and in his prayer he had not a single petition to offer, but only praise and gratitude. That is prayer at its best.

LEGISLATION

Pay and Retirement: H.R. 2553, a bill to provide pay, allowances, retirement, and survivor benefits for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast & Geodetic Survey, Public Health Service, the Reserve components thereof, the National Guard, and the Air National Guard, and for other purposes, was introduced in the House by Rep. Kilday on 9 February 1949, based upon the Hook Commission Report, and was referred to the House Committee on Armed Services. Hearings are scheduled to commence on 21 February 1949. The text of this bill is printed elsewhere in this edition.

This proposed legislation, while it contains a saving clause to prevent any loss of pay by those retired prior to its enactment, includes no increases in pay for those on the retired list except in general to those who have completed a full career of continuous active creditable Federal service of thirty years or more. The proposed changes in the retirement laws would render far less secure in the future military service to those who are retired or separated from the service with less than thirty years of continuous active duty. In the cases of those retired prior to the effective date of this proposed legislation, only those who would be entitled to retirement on the basis of their actual Federal service, were they on active lists, would be entitled to compute their pay upon the new proposed increased rates. Otherwise their retired pay would remain as at present, protected by the saving clause contained in the bill.

Our Association adopted a resolution which was forwarded to the officials indicated therein by our President, Admiral Hamlet, on 9 February 1949, as follows:

Resolution of Retired Officers Association Recommending Revision of Pay Structure and Pay Scales Applicable to the Uniformed Services and That Such Action be Taken Independently of Any Reconsideration of Existing Retirement Laws.

Whereas, The primary objective of all laws relating to the personnel of the uniformed service must have and do have for their consideration the best interests of our national defense; and

Whereas, The basis of morale and efficiency of the personnel of the uniformed services stems from adequate pay and appropriate security; and

Whereas, The present pay structure and pay scales applicable to officer personnel of the uniformed services were established in 1908 with an average of only about 30 per cent increase in pay since that time; and

Whereas, The cost of living, according to the records of the Bureau of Labor Statistics, has increased approximately 250 per cent since 1908; and

Whereas, The pay scales of all Government employees, except those in the uniformed services, have been periodically and substantially increased since 1908; and

Whereas, Retirement laws applicable to the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey and Public Health Service are in large measure peculiar to the service to which they apply and have been recently revised to keep pace with changing conditions, those relating to the National Military Establishment having been elaborately reconsidered by the 80th Congress and established in the Officer Personnel Act of 1947, approved August 7, 1947; and

Whereas, Retired personnel of the regular military services are at all times members of the services under which they hold retired status and are therefore subject to recall and are in great numbers recalled to active duty during national emergencies; now therefore be it

Resolved, That the Retired Officers Association deems it essential that the pay structure and pay scales applicable to the uniformed services be now revised and brought in accord with prevailing conditions and requirements; and be it further

Resolved, That it is the sense of the Retired Officers Association that the pay structure and pay scales should be considered and accomplished independently of and separate from any revision of retirement laws which may be found necessary; and be it further

Resolved, That it is the sense of the Retired Officers Association that increases in pay now established be made applicable to retired personnel consistent with past custom and in accordance with existing retirement laws; and be it further

Resolved, That copies of this resolution be furnished to the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Secretary of the Treasury in relation to the Coast Guard, the Secretary of Commerce in relation to the Coast and Geodetic Survey, the Administrator, Federal Security Agency in relation to the Public Health Service, and to the appropriate committees of the Congress.

Taxation: Three bills have been introduced to extend the income tax exclusion heretofore applicable to military personnel on active duty (H.J. Res. 77 by Rep. Doughton, H.R. 317 by Rep. Vinson, and S. 323 by Sen. O'Connor). Two bills proposing exemptions from income tax in the case of retirement pensions and annuities have likewise been introduced (H.R. 457 by Rep. Keogh and H.R. 2157 by Rep. Boggs). The latter two bills propose a $1440 exclusion from gross income to all such annuitants. The House bills have been referred to the House Committee on Ways and Means, and the Senate bill to the Senate Committee on Finance.

With reference to the first group of bills, our President addressed a letter to the chairmen of the above mentioned committees requesting opportunity to be heard in order to recommend that any exclusions provided apply as well to those on the retired list on inactive duty as to all others, and a statement will be provided when and if hearings are held on this proposal. However, it is doubtful whether there will be any action on this subject, since President Truman has indicated his opposition to any special tax exclusion to any group.

Federal Incorporation: Sen. McFarland introduced a bill, S. 579, to incorporate the Retired Officers Association, and Rep. Thompson introduced a companion bill, H.R. 1880, for the same purpose. While our Association is fully incorporated under the laws of the District of Columbia, it is essential to achieve federal incorporation in order that the Association may become recognized by the Administrator of Veterans Affairs as an agency authorized to represent its members and their widows and survivors before the Veterans Administration with reference to the rights and benefits to which they are entitled. Copies of these bills, which are before the Senate and House judiciary committees, are available at National Headquarters of the Association and will be forwarded upon request.

Prosecution of Claims Against the Government: Sen. Holland introduced a bill, S. 162, to permit retired officers of the armed forces to act as agents or attorneys for prosecuting certain claims against the United States. This bill, which is before the Senate Committee on the Judiciary, would amend Section 283 of Title 18 of the United States Code so as to authorize the prosecution of claims against the Government by a retired officer of the uniformed services, except during a period of two years next after his retirement with reference to a claim involving the department in whose service he holds retired status or involving any subject matter with which he was directly connected while in active-duty status.

It will be recalled that a bill introduced by Sen. Holland in the 80th Congress covering the same subject matter was considered in a hearing by the Senate Judiciary Committee,

at which time representatives of the Executive Departments and others, including our Association, appeared and recommended favorable consideration. S. 652 is an outgrowth of those hearings, and it is confidently hoped that this legislation will be enacted early in the present Congress. It is understood that this proposed legislation will receive the full support of the National Military Establishment.

Dual Compensation: Two bills pending before the Senate Committee on Armed Services and one before the House Committee on Armed Services have been introduced suggesting modification in the dual compensation laws. S. 223 by Sen. Smith of Maine would exclude those retired for disability resulting from injury or disease incurred in line of duty from the present $3000 limitation. S. 753 by Sen. Magnuson would raise the present limitation from $3000 to $5000 per annum. H.R. 2209 by Rep. Patten would increase the present limitation from $3000 to $7500 per annum. While the enactment of any of these bills would improve the present situation, it is considered that they do not go far enough. It is our conviction that the present laws should be modified so as appropriately to raise the present limitation to bring it more in accord with the present economic situation and also provide for an election by retired personnel to accept civilian positions in the government and suspend the receipt of their retired pay during such employment. This recommendation has been made to the Secretary of Defense and it is now under consideration in the National Military Establishment. This is a matter which requires revision both for the benefit of the government, to enable it to employ retired military personnel with technical training in fields where their services are sorely needed by the government, and in general to accord greater opportunity for retired personnel to serve their government as may other citizens.

To Amend the Pay Readjustment Act of 1942 so as to Equalize Credits for Service in the Armed Forces for Pay and Longevity Purposes: S. 631 by Sen. Tydings and H.R. 978 by Rep. Bates, now before the respective committees on armed services, have for their purpose the crediting of service as cadets, as midshipmen, as aviation or flying cadets, and as contract surgeons, types of service which are not now credited among the 21 classifications of service for which credit was extended by the 1942 law. This proposal is an outgrowth of S. 657 of the 80th Congress which was passed by the Senate, favorably reported to the House by the House Committee on Armed Services, but failed of enactment during the closing days of the 80th Congress, merely because of the great volume of legislation of greater national importance which was under consideration at that time.

The Hook Commission report recommends against the crediting of service as a cadet or as a midshipman on the theory that such service is primary training which should not, therefore, be credited. In our opinion that conclusion is not justifiable on the basis of the facts and the nature of many types of service in inactive status which are now credited by law and which are included in the Hook Commission proposals for credit in the future. Our brief on the subject, which outlines the whole history of service at the service academies, clearly demonstrates that this service is full-time active service in the armed forces of the United States, for which credit should be given in any case and certainly by comparison with the services for which credit is now provided. During the 80th Congress and until the Hook Commission report, there was unanimous support for the crediting of this service, and it is understood that the subject was one of high priority within the National Military Establishment.

Credit for Intern Service: S. 618 by Sen. Baldwin and H.R. 488 by Rep. Lane (the former referred to the Senate Committee on Armed Services and the latter to the corresponding House Committee) recommend credit to active and retired officers of the medical department of the Army for all services performed as interns in Army hospitals in a civilian-employee status. This proposal appears to be just, but should it be enacted, its application should be extended to the other uniformed services as well.

To Amend the Pay Readjustment Act of 1942: S. 577 by Sen. McFarland, now before the Senate Committee on Armed Services, would amend the fourth paragraph of Section 15 of the Pay Readjustment Act of 1942 so as to permit those retired prior to its enactment who served in the military or naval forces of the United States prior to November 12, 1918, to use 75 per centum as a multiple in the computation of their retired pay. This measure is the same as that covered by former bills introduced by Sen. McFarland so as to remove a discrimination which has existed under which a few Army officers and a few Navy officers are not permitted the same retirement benefits as have been extended by a number of laws to officers who have retired with less service than those against whom the discrimination now exsits. Hearings were held on this measure during the last Congress at which the principle was clearly understood and approved, but too little time remained for favorable action during the last session of Congress.

Voluntary Participation Annuity Plan for Widows and Minor Children of Members of the Uniformed Services: H. R. 1521 by Rep. Cole, of New York, referred to the House Committee on Armed Services, proposes a participation annuity plan for widows, minor children, and certain other beneficiaries of members of the uniformed services. This bill is of considerable interest in view of the proposal in the Hook Commission report for survivors benefits in certain cases and especially in view of Secretary Forrestal's declaration on 30 January 1949 in which he states:

"While the report of the (Hook) Commission is comprehensive and covers all aspects of the pay and retirement problem, I believe that further consideration should be given to the problem of providing more adequate survivor benefits for service personnel (in addition to the proposed death benefit) through giving them the option of electing reduced retirement pay in exchange for the guarantee of some continuing benefits for their survivors. I do not now have before me any specific, actuarily sound proposal of this character, and I do not believe that we should delay presentation of the pay bill pending the development of such a proposal. At the same time, I believe this subject should be thoroughly studied, and I shall instruct the Director of the Personnel Policy Board, as soon as that Board is formally constituted, and in conjunction with their respective services, to investigate this matter and to present a report covering the responsibility of developing, and the desirability of adopting, an actuarily sound plan of this general character. Because of the time elements involved, any such proposal will have to be developed and presented separately from the currently proposed pay legislation."

Dispensary Treatment and Hospitalization: H.R. 1181 by Rep. Boggs, referred to the House Committee on Armed Services, proposes to extend dispensary treatment and hospitalization in Army and Navy hospitals to retired personnel of the Army, Navy, Marine Corps and Coast Guard, including members of the Fleet Reserve and Fleet Marine Reserve.

Extension of Army Commissary Privileges to Widows: H.R. 1961 by Rep. Jackson of Washington, referred to the House Committee on Armed Services, proposes to extend Army commissary privileges to the widows of officers and enlisted men who were at the time of their death on the active or retired list of the Army of the United States.

To Amend the Army and Air Force Vitalization and Retirement Equalization Act of 1948 (Public Law 810—80th Congress): At least six bills have been introduced to amend this law, each of which was referred to the appropriate committee on armed services. Two such bills by Sen. Kefauver (S. 718 and S. 719) would extend to personnel who served in

World War I the same opportunities for retirement in the highest rank in which they served satisfactorily as provided for personnel who served in World War II by Public Law 305—79 Congress—to the Navy, Marine Corps and Coast Guard and by Public Law 810—80th Congress—to Army and Air Force personnel; to provide for the review of the cases of officers who were retired upon their own application during World War II after Public Law 190 proceedings had been instituted against them; to provide for the review of certain cases of officers who served in World War II and were involuntarily retired under Grade B or because of the lack of funds and for their restoration to active duty if found justifiable; and to provide for the promotion of certain officers on the retired list without increases in pay to higher grades if receiving retired pay of a high grade. H.R. 2374 by Rep. Poulson is a companion bill to S. 718 and H.R. 854 by Rep. Lemke is companion to S. 719.

S. 214 by Sen. Smith of Maine proposes to amend Title 3 of Public Law 810—80th Congress—so as to remove a requirement of membership in an organized unit of a reserve component at the time of attaining the age of 60 years in order to be eligible for retirement benefits under that title.

H.R. 238 by Rep. Kilday would amend Title 3 of Public Law 810—80th Congress—to provide that all warrant officers and enlisted men retired from the Army and Air Force and advanced in rank on the retired list pursuant to the Act of May 7, 1932 (47 Stat. 150), because of creditable service during the period from April 6, 1917, to November 11, 1918, shall be advanced on the officers retired list and receive retired pay accordingly.

Preventing Retroactive Checkage of Payments Erroneously Made to Certain Retired Officers of the Naval Reserve: S. 278 by Sen. Tydings and its companion, H.R. 1761 by Rep. Kilday, have the indicated purpose. The basic purpose of this pending legislation will be better understood by a consideration of the following paragraph quoted from Senate Report No. 21—81st Congress—to accompany Sen. Tyding's bill:

"The Naval Reserve Act of 1938 created, as a part of the Naval Reserve (the 'honorary retired list' to which officers of the Naval Reserve may be transferred under certain conditions. Since the 1st is maintained entirely on an honorary basis, it involves neither pay nor active duty training. This honorary retired list has no connection with the retired list authorized by the act of February 21, 1946, which act provides in pertinent part that an officer of a Reserve component of the Navy or Marine Corps who has completed more than 20 years active service, at least 10 years of which shall have been active commissioned service, may be placed on the retired list, and paid according to the scale of retirement pay which the act specifies. The Navy Department assumed that if a member of the honorary retired list were recalled to active duty, and served enough additional time to make a total of 20 or more years of active service, such an individual could be placed on the retired list and receive retirement pay. The Comptroller General held on May 6, 1947, that such action was not permissible under the law, since an individual transferred to the honorary retired list was a member of a Reserve component of the Navy within the meaning of section 6 of the act of February 21, 1946. The bill would specifically include the honorary retired list of the Naval Reserve as one of the Reserve components of the Regular Navy referred to in the act of February 21, 1946, and would make this action effective as of the date of enactment of that act. The effect of the bill would, therefore, be that an officer who is carried on the honorary retired list and who is now or should hereafter become eligible for retirement benefits, by reason of having served the required minimum number of years on active duty, could be placed on the retired list of the United States Naval Reserve, and receive retirement pay."

This bill, when enacted, will also restore the amounts which have been checked as the result of the above Comptroller General's decision. The bill passed the Senate on 8 February 1949 and was referred to the House Committee on Armed Services, where early and favorable action may soon be expected.

Income Limitation Governing Receipt of Pensions and Death-Pension Benefits by Widows and Children: At least eight House bills have been introduced and referred to the House Committee on Veterans Affairs to increase the minimum income limitation governing the receipt of pensions and death-pension benefits. H.R. 431 by Rep. Kearney, H.R. 913 by Rep. Rankin, H.R. 921 by Rep. Rogers of Massachusetts, H.R. 1737 by Rep. Allen of Louisiana, would all provide for an increase to $2,000 of the present income limitation application to single persons and widows without a minor child or children and to $3000 the limitation applicable to widows with a minor child or children. H.R. 281 by Rep. Rogers and H.R. 1943 by Rep. Teague would make these figures $1800 and $3000 respectively. H.R. 2318 by Rep. Mills would increase the present income limitation applicable to widows without children and to children of World War I veterans to $1500.

Privileges, Rights and Benefits for Mexican Border Service: H.R. 984 by Rep. Dolliver and H.R. 2370 by Rep. McGuire, also pending before the House Committee on Veterans Affairs, would extend to veterans of the Mexican Border Service of 1916 and 1917 and their widows and minor children all the provisions, privileges, rights, and benefits of laws enacted for the benefit of veterans of the Spanish-American War.

Pensions for Service in World War I: H.R. 2302 by Rep. Mansfield and referred to the House Committee on Veterans Affairs would grant to veterans of World War I and their widows and dependent children pensions equivalent to the pensions granted to veterans of the war with Spain and their widows and dependent children.

Pensions for Service in World War II: H.R. 2218 by Rep. Stigler, also before the House Committee on Veterans Affairs, would provide that pensions should be extended to the widows and children of deceased World War I veterans.

To extend to Commissioned Officers of the Coast and Geodetic Survey the Provisions of the Armed Forces Leave Act of 1946: S. 678 by Sen. Johnson of Colorado would have the purpose indicated. This bill was referred to the Senate committee on Interstate and Foreign Commerce. A companion bill, H.R. 2572 by Rep. Garmatz, has been referred to the House Committee on Armed Services.

Other Legislation of Interest—(Senate)

S. 81 (Sen. Langer)—granting service pensions to veterans of World War I and World War II.

S. 87 (Sen. Ferguson)—granting exemption from income tax with respect to $1,500 of the amount paid to any individual by the United States or by any State or political subdivision thereof as a pension, retired or retirement pay, or as a retirement annuity.

S. 108 (Sen. Morse)—to amend the National Security Act of 1947 to provide a single executive department for the operation and administration of the Army, the Navy, and the Air Force; and to give the Secretary of Defense adequate power to enable him to formulate and place in operation integrated programs for the national security.

S. 222 (Sen. Smith of Maine)—to provide for payment to certain retired Naval and Marine Corps Reserve officers of a lump sum equal to their active duty pay and allowances for the period during which such officers remained in an inactive status without pay.

S. 343 (Sen. McFarland for himself and Sen. Johnson of Colorado)—to increase compensation and pension rates under laws administered by the Veterans Administration.

S. 346 (Sen. McFarland for himself and Sen. Johnson of Colorado)—to provide Government protection for widows and children of deceased veterans of World Wars I and II.

S. 389 (Sen. Sparkman)—to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase in pay for certain personnel of the Army, Navy, Marine Corps and Coast Guard.

S. 398 (Sen. Capehart)—to establish a United States Air Force Academy.

S. 399 (Sen. Capehart)—to extend to the veterans of the Mexican border service of 1916 and 1917 and their widows and minor children all the provisions, privileges, rights and benefits of laws enacted for the benefit of veterans of the Spanish-American War.

S. 686 (Sen. Sparkman)—to amend the Servicemen's Readjustment Act of 1944, as amended, in order to assure the availability of low-cost financing on liberal terms to World War II veterans who need homes.

(House)

H.R. 38 (Rep. Davis of Wisconsin)—to provide that the rate of interest charged veterans of World Wars I and II on loans secured by their Government life insurance shall not exceed 3%.

H.R. 44 (Rep. Elston)—to provide military status for women who served overseas with the Army of the United States during World War I.

H.R. 112 (Rep. Philbin)—relating to the eligibility for pensions of certain widows and children of Veterans of World Wars I and II.

H.R. 147 (Rep. Beckworth)—granting pensions to veterans, and the widows and dependent children of veterans, of the World War equivalent to pensions granted to veterans, and the widows and dependent children of veterans, of the War with Spain.

H.R. 200 (Rep. Kilday)—to establish the United States Air Academy at Randolph Field, Texas.

H.R. 247 (Rep. Keogh)—to amend section 22, subdivision (b), paragraph (2), of subparagraph (B) of the Internal Revenue Code, so as to exclude from gross income the first $1,440, in the aggregate for each year, of all retirement pension and annuity payments.

H.R. 287 (Rep. Rogers of Massachusetts)—to provide four years of college education, or the equivalent, to the children of persons whose death resulted from service in the armed forces during World War II.

H.R. 295 (Rep. Rogers of Massachusetts)—relating to the eligibility for pensions of certain widows and children of veterans of World Wars I and II.

H.R. 355 (Rep. Celler)—to increase the guaranty by the Government of real-estate loans to veterans.

H.R. 377 (Rep. Christopher)—to establish a United States Air Academy.

H.R. 479 (Rep. Lane)—to provide pensions for disabled veterans of World War II under similar conditions, and in the same amounts, as now provided for disabled veterans of the Spanish-American War.

H.R. 567 (Rep. Whitten)—to provide that pensions shall be extended to the widows and children of deceased World War II veterans on the same conditions as they are now extended to the widows and children of deceased World War I veterans.

H.R. 847 (Rep. Hoffman of Illinois)—granting service pensions to veterans of World War I and World War II.

H.R. 873 (Rep. Mack of Washington)—to liberalize the Federal old-age and survivors' insurance by providing wage credits for military service during World War II.

H.R. 903 (Rep. Rankin)—to increase compensation and pension rates under laws administered by the Veterans Administration.

H.R. 904 (Rep. Rankin)—to provide Government protection for widows and children of deceased veterans of World Wars I and II.

H.R. 908 (Rep. Rankin)—to provide certain equitable adjustments in disability compensation and pension to meet the rise in the cost of living.

H.R. 909 (Rep. Rankin)—to provide for an increase in monthly rates of compensation and pension payable to veterans of World War I and World War II and dependents of such veterans, and for other purposes.

H.R. 937 (Rep. Allen of Louisiana)—to provide certain equitable adjustments in disability compensation and pension to meet the rise in the cost of living.

H.R. 1216 (Rep. Hagen)—to amend the Pay Readjustment Act of 1942, as amended, so as to provide an increase in pay for certain personnel of the Army, Navy, Marine Corps and Coast Guard.

H.R. 1417 (Rep. Patten)—to provide Government protection for widows and children of deceased veterans of World Wars I and II.

H.R. 1419 (Rep. Patten)—to increase compensation and pension rates under laws administered by the Veterans Administration.

H.R. 1426 (Rep. Reed of New York)—to provide terminal leave pay for certain officers of the Navy and Marine Corps, and for other purposes.

H.R. 1742 (Rep. Byrne of New York)—to provide for one national cemetery in every State and Territory and such other national cemeteries in the States, Territories and possessions as may be needed for the burial of members of the armed forces of the United States dying in the service or former members whose last discharge therefrom was honorable and certain other persons as provided for in United States Code, title 24, section 281, as amended.

H.R. 1793 (Rep. Cole of New York)—to authorize the advance on the retired list of Lieutenant John T. McDermott, United States Navy (retired), to the grade of lieutenant commander.

H.R. 1930 (Rep. Rains)—granting pensions to veterans of World War I and their widows and dependent children equivalent to the pensions granted to veterans of the war with Spain and their widows and dependent children.

H.R. 1932 (Rep. Rogers of Florida)—to provide increased retirement benefits for certain persons who served in the armed forces during World War I.

H.R. 1942 (Rep. Teague)—to provide for a service credit for veterans for the purposes of title II of the Social Security Act.

H.R. 2310 (Rep. Mills)—to adjust the rates of pension and compensation payable under the laws and regulations administered by the Veterans Administration on the basis of the cost of living in the United States.

H.R. 2335 (Rep. Pfeiffer)—to extend the date for application for terminal-leave bonds.

NEW SERVICE PAY AND RETIREMENT BILL (H.R. 2553)

H.R. 2553—To provide pay, allowances, retirement, and survivor benefits for members of the Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, the reserve components thereof, the National Guard, and the Air National Guard, and for other purposes.

Be it enacted by the Senate and House of Reprsentatives of the United States of America in Congress assembled, That this Act may be cited as the "Career Compensation Act of 1949".

DEFINITIONS

Sec. 102. For the purposes of this Act—

(a) The term "uniformed services", unless otherwise qualified, shall be interpreted to mean and include the Army of

the United States, Navy, Air Force of the United States, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service, and all Regular and reserve components thereof. The Army of the United States without specification as to any component thereof and the Air Force of the United States without specification as to any component thereof shall be deemed to be reserve components of the uniformed service concerned for the purposes of this subsection. Such term shall exclude the Philippine Scouts and the insular force of the Navy.

(b) The term "member" means a commissioned officer, commissioned warrant officer, warrant officer, flight officer, and enlisted person, including a retired person, of the uniformed services.

(c) The term "officer", unless otherwise qualified, means a commissioned officer, commissioned warrant officer, warrant officer, and flight officer, either permanent or temporary, of the uniformed services.

(d) The term "commissioned officer" means a member of the uniformed services having rank or grade of second lieutenant, ensign, or junior assistant grade, or above, either permanent or temporary, in any of the uniformed services, except that for purposes of section 203 of this Act such term shall be limited to the definition prescribed in subsection (a) of said section.

(e) The term "warrant officer" means a commissioned warrant officer, warrant officer, or flight officer, including a master, chief engineer, first mate, or assistant engineer of the Army Mine Planter Service.

(f) The term "Secretary" shall be construed to mean the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Secretary of the Treasury, the Secretary of Commerce, or the Federal Security Administrator, as the case may be.

(g) The term "dependent" shall be interpreted to mean the lawful wife or a son or daughter under eighteen years of age of any member of the uniformed services, or any of the following relatives of any such member who receives over half of his or her support from such member during the period when any allowance resulting from dependency is claimed: (1) A son or daughter over eighteen years of age; (2) a descendant of a son or daughter; (3) a stepson or stepdaughter; (4) a brother, sister, stepbrother, or stepsister; (5) a father or mother or an ancestor of either; (6) a stepfather or stepmother; (7) a son or daughter of a brother or sister; (8) a brother or sister of the father or mother; or (9) a son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law. Such term shall also include the husband of a female member of the uniformed services if such husband is in fact dependent upon such female member for chief support.

As used in this subsection, the terms "brother" and "sister" include a brother or sister by the half-blood. For the purpose of determining whether any of the foregoing relationships exist, a legally adopted child shall be considered a child by blood.

(h) The term "basic allowance" shall be intepreted to mean only the "basic allowance for quarters" and the "basic allowance for subsistence".

(i) The term "inactive-duty training" shall be interpreted to mean any of the training, instruction, duty, appropriate duties, or equivalent training, instruction, duty, appropriate duties, or hazardous duty performed with or without compensation by members of the reserve components of the uniformed services as may be prescribed by the Secretary concerned pursuant to section 601 of this Act or any other provision of law, and in addition thereto shall include the performance of special additional duties as may be authorized by competent authority by such members on a volunteer basis in connection with the prescribed training or maintenance activities of the unit to which the members are assigned: *Provided*, That the term "inactive-duty training" shall not include work or study performed by such members in connection with correspondence courses of the uniformed services.

(j) The term "beneficiaries" shall be interpreted to mean only a lawful wife or husband, children, including adopted children, under eighteen years of age, and a father and mother.

(k) The terms "he", "his", and "him" include the terms "she" and "her."

TITLE II—PROVISIONS RELATING TO BASIC PAY AND SPECIAL PAYS

BASIC PAY

Sec. 201. (a) For the purpose of computing the basic pay of members of the uniformed services, pay grades are prescribed, and monthly basic pay for such members is established within each pay grade according to cumulative years of service, as follows:

COMMISSIONSD OFFICERS

Pay grade	Cumulative years of service						
	Under 2	Over 2	Over 4	Over 6	Over 8	Over 10	Over 12
O-1	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00	$975.00
O-2	810.00	810.00	810.00	810.00	810.00	810.00	810.00
O-3	600.00	600.00	600.00	600.00	600.00	600.00	600.00
O-4	480.00	480.00	480.00	480.00	480.00	480.00	495.00
O-5	405.00	405.00	405.00	405.00	420.00	435.00	450.00
O-6	330.00	330.00	345.00	360.00	375.00	390.00	405.00
O-7	262.50	277.50	292.50	307.50	322.50	337.50	337.50
O-8	225.00	240.00	255.00	270.00	285.00	300.00	300.00

WARRANT OFFICERS

W-1	$330.00	$330.00	$330.00	$345.00	$360.00	$375.00	$390.00
W-2	300.00	300.00	300.00	307.50	315.00	322.50	330.00
W-3	262.50	262.50	262.50	262.50	270.00	277.50	285.00
W-4	217.50	217.50	217.50	225.00	232.50	240.00	247.50

ENLISTED MEN

E-1	$202.50	$202.50	$210.00	$217.50	$225.00	$232.50	$240.00
E-2	172.50	172.50	180.00	187.50	195.00	202.50	210.00
E-3	142.50	150.00	157.50	165.00	172.50	180.00	187.50
E-4	120.00	127.50	135.00	142.50	150.00	157.50	165.00
E-5	97.50	105.00	112.50	120.00	127.50	135.00	142.50
E-6	82.50	90.00	97.50	105.00	112.50	120.00	120.00
E-7	75.00	75.00	75.00	75.00	75.00	75.00	75.00

COMMISSIONED OFFICERS

Pay grade	Cumulative years of service					
	Over 14	Over 16	Over 18	Over 22	Over 26	Over 30
O-1	$975.00	$975.00	$975.00	$975.00	$975.00	$1005.00
O-2	810.00	810.00	810.00	810.00	840.00	870.00
O-3	600.00	615.00	645.00	675.00	705.00	735.00
O-4	510.00	525.00	555.00	585.00	615.00	615.00
O-5	465.00	480.00	510.00	510.00	510.00	510.00
O-6	420.00	435.00	435.00	435.00	435.00	435.00
O-7	337.50	337.50	337.50	337.50	337.50	337.50
O-8	300.00	300.00	300.00	300.00	300.00	300.00

WARRANT OFFICERS

W-1	$405.00	$420.00	$435.00	$450.00	$465.00	$480.00
W-2	337.50	345.00	360.00	375.00	390.00	405.00
W-3	292.50	300.00	315.00	330.00	345.00	360.00
W-4	255.00	262.50	277.50	292.50	307.50	307.50

ENLISTED PERSONS

E-1	$247.50	$255.00	$270.00	285.00	$300.00	$300.00
E-2	217.50	225.00	240.00	255.00	255.00	255.00
E-3	195.00	202.50	217.50	232.50	232.50	232.50
E-4	172.50	180.00	195.00	195.00	195.00	195.00
E-5	150.00	150.00	150.00	150.00	150.00	150.00
E-6	120.00	120.00	120.00	120.00	120.00	120.00
E-7	75.00	75.00	75.00	75.00	75.00	75.00

(b) For basic pay purposes, commissioned officers are hereby assigned by the rank or grade, temporary or permanent, in which serving, to the various pay grades prescribed for commissioned officers by subsection (a) of this section, as follows:

Pay grade	Army, Air Force, and Marine Corps	Navy, Coast Guard and Coast and Geodetic Survey	Public Health Service
O-1	General, lieutenant general, and major general.	Admiral, vice admiral, and rear admiral (upper half).	Surgeon general, deputy surgeon general, and assistant surgeon general having rank of major general.
O-2	Brigadier general	Rear admiral lower half) and commodore	Assistant surgeon general having rank of brigadier general
O-3	Colonel	Captain	Director grade.
O-4	Lieutenant colonel	Commander	Senior grade.
O-5	Major	Lieutenant comm'der	Full grade.
O-6	Captain	Lieutenant	Senior assistant gr.
O-7	First lieutenant	Lieutenant (j.g.)	Assistant grade.
O-8	Second lieutenant	Ensign	Junior assistant gr.

(c) For basic pay purposes, warrant officers shall be distributed by the Secretary concerned in the various pay grades prescribed for warrant officers in subsection (a) of this section.

(d) For basic pay purposes, enlisted persons shall be distributed by the Secretary concerned in the various pay grades prescribed for enlisted persons in subsection (a) of this section.

(e) All members of the uniformed services when on the active list, when on active duty, or when participating in full-time training, training duty with pay or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 94, 97, and 99 of the National Defense Act, as amended), and, in addition thereto, all members of the National Guard and the Air National Guard when they are entitled by law to receive from the Federal Government the same pay as that authorized for members of the Regular components of the uniformed services of corresponding grade or rank, shall be entitled to the basic pay of the pay grade to which assigned, or in which distributed, pursuant to subsections (b), (c), or (d) of this section, in accordance with cumulative years of service.

SERVICE CREDITABLE IN COMPUTATION OF BASIC PAY

Sec. 202. (a) Subject to the provisions of subsections (b), (c), and (d) of this section, in computing the cumulative years of service to be counted by members of the uniformed services for determining the amount of basic pay they are entitled to receive upon completion of such years of service, such members shall be credited with—

(1) full time for all periods of active service as a commissioned officer, commissioned warrant officer, warrant officer, Army field clerk, flight officer, and enlisted person in any Regular or reserve component of any of the uniformed services; and

(2) full time for all periods during which they were enlisted or held appointments as commissioned officers, commissioned warrant officers, warrant officers, Army field clerks, or flight officers, in any of the Regular components of the uniformed services, or in the Regular Army Reserve, or in the Organized Militia prior to July 1, 1916, or in the National Guard, or in the National Guard Reserve, or in the National Guard of the United States, or in the Organized Reserve Corps, or in the Officers' Reserve Corps, or in the Enlisted Reserve Corps, or in the Medical Reserve Corps, or in the Medical Reserve Corps of the Navy, or in the Dental Reserve Corps of the Navy, or in the Naval Militia, or in the National Naval Volunteers, or in the Naval Reserve Force, or in the Naval Reserve, or in the Air National Guard, or in the Air Force Reserve, or in the officers' section of the Air Force Reserve, or in the enlisted section of the Air Force Reserve, or in the Air Corps Reserve, or in the Army of the United States without specification of any component thereof, or in the Air Force of the United States without specification of any component thereof, or in the Marine Corps Reserve Force, or in the Marine Corps Reserve, or in the Coast Guard Reserve, or in the Reserve Corps of the Public Health Service, or in the Philippine Scouts, or in the Philippine Constabulary; and

(3) in the case of commissioned officers heretofore or hereafter appointed in the Medical Corps or the Dental Corps of the Regular Army, of the Officers' Reserve Corps, of the federally recognized National Guard, of the National Guard of the United States, of the Army of the United States without specification as to any component thereof, of the Regular Navy, of the Naval Reserve, of the Regular Air Force, of the officers' section of the Air Force Reserve, of the federally recognized Air National Guard, of the Air National Guard, or of the Air Force of the United States without specification as to any component thereof, and in the case of commissioned medical or dental officers heretofore or hereafter appointed in the Regular Corps or the Reserve Corps of the Public Health Service, one year of service for each academic year of postgraduate study successfully completed by such officers in attaining their professional standings as determined by the Secretary concerned: *Provided*, That no such officer shall be credited with more than four years of such service; and

(4) for commissioned officers in service on June 30, 1922, all service which was then counted in computing longevity pay, and service as a contract surgeon serving full times; and

(5) full time for all periods during which they held appointments as nurses, reserve nurses, or commissioned officers in the Army Nurse Corps, the Navy Nurse Corps, the Nurse Corps of the Public Health Service, or the reserve components thereof; and

(6) full time for all periods during which they were deck officers or junior engineers in the Coast and Geodetic Survey; and

(7) all service which is now authorized to be credited under any provision of law for the purpose of computing longevity pay.

(b) Members of the uniformed services shall not accrue additional service credit for basic pay purposes, except for periods of active service, while on a retired list of any of the uniformed services, or while authorized to receive retired pay or retirement pay from any of the uniformed services or from the Veterans' Administration, or while authorized as a member of the Fleet Reserve or Fleet Marine Corps Reserve to receive retainer pay substantially similar to retired pay provided by the Army, or while a member of the Honorary Reserve of the Officers' Reserve Corps or Organized Reserve Corps.

(c) The periods of time hereinabove authorized to be counted in the computation of basic pay shall, under such regulations as the Secretary concerned may prescribe, include all such periods heretofore or hereafter occurring while members of the uniformed services were less than eighteen years of age.

(d) The total period of time to be counted in the computation of basic pay shall be based on the total of all periods authorized to be counted for such purpose in any of the uniformed services, but the same period of time shall not, for any reason, be counted more than once.

SPECIAL PAY—DOCTORS AND DENTISTS

Sec. 203. (a) The term "commissioned officers", as used in this section, means only (1) commissioned officers of and general officers appointed from the Medical or Dental Corps of the Regular Army, of the Officers' Reserve Corps, of the

National Guard of the United States, or of the Army of the United States without specification of any component thereof; (2) commissioned officers of the Medical or Dental Corps of the Navy or of the Naval Reserve; (3) commissioned officers of and general officers appointed from the Medical or Dental Corps of the Regular Air Force, of the officers' section of the Air Force Reserve, of the Air National Guard, or of the Air Force of the United States without specification of any component thereof; and (4) commissioned medical and dental officers of the Regular or Reserve Corps of the Public Health Service, but excludes any such officers while serving as medical or dental interns.

(b) Commissioned officers now on active duty who have been ordered thereto for periods in excess of thirty days, or commissioned officers who, prior to September 1, 1952, enter upon active duty for periods in excess of thirty days shall, in addition to basic pay, be entitled to receive special pay at the rate of $100 per month for each month of such active duty: *Provided*, That such pay shall be paid only during periods of volunteer service.

SPECIAL PAY—HAZARDOUS DUTY

Sec. 204. (a) Pursuant to such regulations as may be prescribed the President, members of the uniformed services entitled to basic pay shall, in addition thereto, receive special pay for the performance of hazardous duty required by competent orders. The following duties shall constitute hazardous duties:

(1) duty as a crew member as determined by the Secretary concerned, involving frequent and regular participation in aerial flight;

(2) duty on board a submarine, including submarines under construction from the time builders' trials commence;

(3) duty involving frequent and regular participation in aerial flights not as a crew member pursuant to part (1) of this subsection;

(4) duty involving frequent and regular participation in glider flights;

(5) duty involving parachute jumping as an essential part of military duty;

(6) duty involving intimate contact with persons afflicted with leprosy;

(7) duty involving the demolition of explosives as a primary duty, including training for such duty;

(8) duty at a submarine escape training tank, when such duty involves participation in the training; and

(9) duty as an officer at the Navy Deep Sea Diving School or the Navy Experimental Diving Unit.

(b) For the performance of hazardous duty as prescribed in part (1) or (2) of subsection (a) of this section, members of the uniformed services qualifying for the special pay authorized pursuant to said subsection shall be paid at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes.

Pay grade	Monthly rate	Pay grade	Monthly rate
O-1	$100.00	W-3	$100.00
O-2	100.00	W-4	100.00
O-3	210.00	E-1	75.00
O-4	180.00	E-2	67.50
O-5	150.00	E-3	60.00
O-6	120.00	E-4	52.50
O-7	110.00	E-5	45.00
O-8	100.00	E-6	37.50
W-1	100.00	E-7	30.00
W-2	100.00		

(c) For the performance of hazardous duty as prescribed in parts (3) to (9), inclusive, of subsection (a) of this section by officers and enlisted persons qualifying for the special pay authorized pursuant to said subsection, officers shall be paid at the rate of $100 per month, and enlisted persons shall be paid at the rate of $50 per month.

(d) The President may, in time of war, suspend the payment of special pay for the performance of any or all hazardous duty or may prescribe that members of the uniformed services entitled to basic pay who are performing duties, other than those prescribed in subsection (a) of this section, in certain areas or under certain conditions which involve more than ordinary military risk or danger shall in addition to basic pay, be entitled to receive special pay for hazardous duty at rates not to exceed those prescribed in either subsection (b) of this section or at rates not to exceed those prescribed in subsection (c) of this section, as may be determined by the President, in accordance with the pay grade to which assigned or in which distributed for basic pay purposes or their ranks or grades, as the case may be.

(e) No aviation cadet shall be entitled to receive any special pay authorized pursuant to this section.

(f) No member of the uniformed services shall receive more than one payment of any special pay authorized pursuant to this section for the same period of time during which he may qualify for more than one payment of such special pay.

SPECIAL PAY—DIVING DUTY

Sec. 205. (a) An enlisted person of the uniformed services entitled to basic pay and assigned to the duty of diving shall, in addition to basic pay, receive special pay, under such regulations as may be prescribed by the Secretary concerned, at the rate of not less than $5 per month and not exceeding $30 per month.

(b) Members of the uniformed services entitled to basic pay and employed as divers in actual salvage or repair operations in depths of over ninety feet, or in depths of less than ninety feet, when the officer in charge of the salvage or repair operation shall find, in accordance with regulations prescribed by the Secretary concerned, that extraordinary hazardous conditions exist, shall, in addition to basic pay, receive the sum of $5 per hour for each hour or fraction thereof while so employed. The amounts authorized to be paid pursuant to this subsection shall, in the case of enlisted persons, be in addition to the amounts authorized pursuant to subsection (a) of this section.

(c) No member of the uniformed services shall receive the special pay authorized pursuant to this section in addition to hazardous duty pay authorized pursuant to section 204 of this Act.

(d) The President may, in time of war, suspend the payment of diving duty pay.

SPECIAL PAY—SEA AND FOREIGN DUTY

Sec. 206. Under such regulations as the President may prescribe, enlisted persons of the uniformed services entitled to basic pay shall, in addition thereto, be paid at the rate of $15 per month for any period of service while on sea duty or while on duty in any place beyond the continental limits of the United States or in Alaska.

SPECIAL PAY—REENLISTMENT BONUS

Sec. 207. (a) Members of the uniformed services who enlist under the condition set forth in subsection (b) of this section within ninety days from the date of their discharge or separation, or within such lesser period of time as the Secretary concerned may determine from time to time, shall be paid a lump sum reenlistment bonus of $40, $90, $160, $250, or $360 upon enlistment for a period of two, three, four, five, or six years years, respectively: *Provided*, That no such reenlistment bonus shall be paid for more than four enlistments entered into after the effective date of this Act.

(b) For the purpose of payment of the reenlistment bonus authorized by subsection (a) of this section, enlistment in one of the Regular services following (1) compulsory or voluntary active duty in such service, or (2) active duty in

a reserve component of such service, shall be considered a reenlistment.

(c) Under such regulations as the Secretary concerned may prescribe, enlisted persons of the uniformed services, who, prior to expiration of the period for which they have reenlisted, extend their reenlistment to any any one of the longer enlistment periods mentioned in subsection (a) of this section, shall have their reenlistment bonus recomputed, subject to the limitations contained in subsection (a) of this section, and shall be paid on the basis of the longer enlistment period: *Provided*, That the amount of any reenlistment bonus paid under the reenlistment immediately preceding such extension shall be deducted from the amount payable as a result of such recomputation.

(d) The Secretary concerned shall prescribe regulations for the administration of this section in his department.

SPECIAL PAY—EXTRAORDINARILY UNPLEASANT AND ARDUOUS DUTIES

Sec. 208. Under joint regulations prescribed by the Secretary of Defense, the Secretary of the Treasury, the Secretary of Commerce, and the Administrator of the Federal Security Agency, and approved by the President, members of the uniformed services entitled to basic pay shall, in addition thereto and in addition to other special pays authorized by this Act, receive special pay, in an amount to be prescribed in such regulations but not to exceed $50 per month, for the performance of extraordinarily unpleasant and arduous duties required by competent orders. The regulations prescribed pursuant to this section shall specify those duties which, for the purpose of this section, are extraordinarily unpleasant and arduous and shall specify the conditions and circumstances under which members of the uniformed services shall be entitled to receive the special pay authorized by this section.

TITLE III—PROVISIONS RELATING TO ALLOWANCES

BASIC ALLOWANCE FOR SUBSISTENCE

Sec. 301. (a) Except as otherwise provided in this section or by any other provision of law, each member of the uniformed services entitled to basic pay shall be entitled to receive one basic allowance for subsistence in such amount and under such circumstances as are provided in, or may be prescribed pursuant to, this section.

(b) The President may, from time to time, prescribe the amounts which shall constitute the basic allowance for subsistence. For officers such allowance shall be in amount equivalent to the average monthly cost per individual of subsisting in official officers' messes. For enlisted persons such allowance shall be (1) when rations in kind are not furnished, an amount equivalent to the average daily cost of subsisting the person himself on a civilian basis in the geographic area where serving; (2) when permission to mess separately is granted, an amount equivalent to the average daily cost of the individual ration provided by the Government; or (3) when assigned to duty under emergency conditions where no Government messing facilities are available, an amount equivalent to the average daily cost to the enlisted person of procuring subsistence under such emergency conditions in the geographic area where serving. Officers shall, at all times, be paid such allowances on a monthly basis. Enlisted persons shall be paid the appropriate allowance on a daily basis when rations in kind are not furnished, when permission to mess separately is granted, or when assigned to duty under emergency conditions where no Government messing facilities are available: *Provided*, That, if any such allowance is payable to an enlisted person for a period in excess of thirty days, it shall be paid on a thirty-day-month basis.

(c) Enlisted persons shall be entitled to receive the appropriate basic allowance for subsistence while on an authorized leave of absence or while sick in hospital: *Provided*, That any such allowance shall not accrue when such persons are, in fact, being subsisted at Government expense.

(d) Payment of the basic allowance for subsistence, when authorized, may be be made to enlisted persons in advance for a period of not exceeding one month.

(e) The President may prescribe regulations for the administration of this section.

(f) Until such time as the President shall prescribe the amounts of the basic allowance for subsistence pursuant to subsection (b) of this section, members of the uniformed services otherwise entitled to such allowance purusant to this section shall receive the following amounts:

Officers	$45.00 per month
Enlisted persons when rations in kind are not furnished	2.25 per day
Enlisted persons when permission to mess separately is granted	1.05 per day
Enlisted persons when assigned to duty under emergency conditions where no Government messing facilities are available	Not to exceed 3.00 per day

BASIC ALLOWANCE FOR QUARTERS

Sec. 302. (a) Except as otherwise provided in this section or by any other provision of law, members of the uniformed services entitled to basic pay shall be entitled to receive a basic allowance for quarters in such amount and under such circumstances as are provided in, or may be prescribed pursuant to, this section.

(b) The President may, from time to time, prescribe the amounts which shall constiute the basic allowance for quarters. The amount for each rank or grade shall be based upon the maximum monthly rental rate at which 75 per centum of civilians in equivalent income brackets might reasonably be expected to pay for adequate housing.

(c) Except as provided in subsection (e) of this section, no basic allowance for quarters shall accrue to members of the uniformed services assigned to Government quarters appropriate to their ranks or grades, if without dependents, or appropriate to their ranks or grades and adequate for themselves and dependents, if with dependents.

(d) No basic allowance for quarters shall accrue to any member of the uniformed services without dependents while on field duty, unless his commanding officer certifies that he was necessarily required to procure quarters at his own expense, or while on sea duty: *Provided*, That field duty or sea duty for temporary periods of less than three months shall not be counted as field duty or sea duty for purposes of this subsection.

(e) Members of the uniformed services assigned to Government quarters which are substandard, which are not appropriate to their ranks or grades, if without dependents, or which are not appropriate to their ranks or grades or not adequate for themselves and dependents, if with dependents, shall be paid a basic allowance for quarters and shall pay rent on a monthly basis, the monthly rental rate to be based on prevailing civilian rental rates for similar civilian-owned housing in the same general geographical locality.

(f) No member of the uniformed services assigned to Government quarters shall be denied his basic allowance for quarters if, by reason of orders of competent authority, his dependents are prevented from occupying such quarters.

(g) The President may prescribe regulations for the administration of this section, and such regulations shall define the terms "field duty" and "sea duty".

(h) Until such time as the President prescribes the amounts of the basic allowance for quarters pursuant to subsection (b) of this section, members of the uniformed services other-

wise entitled to such allowance pursuant to this section shall receive a basic allowance for quarters at the following monthly rates according to the pay grade to which assigned or in which distributed for basic pay purposes:

Pay grade	With dependents	Without dependents
O-1	$150.00	$120.00
O-2	150.00	120.00
O-3	120.00	105.00
O-4	120.00	90.00
O-5	105.00	82.50
O-6	90.00	75.00
O-7	82.50	67.50
O-8	75.00	60.00
W-1	105.00	82.50
W-2	90.00	75.00
W-3	82.50	67.50
W-4	75.00	60.00
E-1	67.50	45.00
E-2	67.50	45.00
E-3	67.50	45.00
E-4 (7 or more years' service)[1]	67.50	45.00
E-4 (less than 7 years' service)[1]	45.00	45.00
E-5	45.00	45.00
E-6	45.00	45.00
E-7	45.00	45.00

[1] Service authorized to be credited in computation of basic pay pursuant to Section 202 of this Act.

TRAVEL AND TRANSPORTATION ALLOWANCES

Sec. 303. (a) Under regulations prescribed by the Prseident members of the uniformed services shall be entitled to travel and transportation allowances for travel performed or to be performed under competent orders, without regard to the comparative costs of the various modes of transportation, and such regulations may authorizez travel and transportation allowances for travel performed or to be performed repeatedly between two or more places in the same vicinity while such members are on official business away from their designated posts of duty regardless of the length of time away from such designated posts of duty. The President may, by regulation, prescribe (1) the conditions under which travel and transportation allowances shall be authorized, (2) the allowance which shall be authorized for each specified type of travel, and (3) the monetary amount payable, if any, in connection with each such allowance. The travel and transportation allowance which shall be authorized for each specified type of travel shall be limited to one of the following: (1) Transportation in kind or reimbursement therefore, (2) transportation in kind or reimbursement therefor, plus actual and necessary expenses or a per diem in lieu thereof, or (3) a monetary allowance in lieu of transportation in kind, plus actual and necessary expenses or a per diem in lieu thereof.

(b) Under regulations prescribed by the President, the Secretaries concerned may authorize payment to members of the uniformed services on duty outside the continental United States or in Alaska, whether or not in a travel status, of actual and necessary expenses or per diem in lieu thereof, considering all elements of cost of living, including cost of quarters, subsistence, and other necessary expenses.

(c) Under such conditions, in such amounts, to and from such locations, and for such distances as may be prescribed by the President, and without regard to the comparative costs of the various modes of transportation, members of the uniformed services shall be entitled to transportation in kind or reimbursement therefor, or a monetary allowance in lieu of such transportation in kind, for dependents, and to transportation (including packing, crating, drayage, temporary storage, and unpacking) of baggage and household goods and effects, or reimbursement therefor. When orders directing a change of permanent station have not been issued or when such orders have been issued but are of such a nature that they cannot be used as authority for such transportation, the President shall authorize such transportation, reimbursement therefor, or monetary allowance in lieu thereof, as the case may be, only under unusual or emergency circumstances, including, but not limited to, (1) circumstances when duty is being performed at places designated by the Secretary concerned as within zones from which dependents should be evacuated, (2) circumstances when orders which direct temporary duty travel do not provide for return to the permanent station or do not specify or imply any limit to the period of absence from the permanent station, or (3) circumstances when such members are serving on permanent duty at stations outside the continental United States or in Alaska, or on sea duty. The President may, by regulation, define the term "permanent station", which definition shall include, but not be limited to, a shore station or the home yard or home port of the vessel to which a member of the uniformed services entitled to basic pay may be ordered; and a duly authorized change in home yard or home port of such vessel shall be deemed a change of permanent station.

(d) Under such regulations as may be prescribed by the President, members of the uniformed services shall be entitled to any of the travel and transportation allowances authorized pursuant to this section for travel performed or to be performed by such member, for the transportation of his dependents, and for the transportation of his baggage and household goods and effects, (1) upon appointment, call to active duty, enlistment, or induction, from home or from the place from which ordered to active duty to first duty station, and (2) upon separation from the service, release from active duty, or retirement, from last duty station to home or to the place from which ordered to active duty, regardless of the fact that such member may not be a member of the uniformed services at the time his travel is performed or is to be performed, at the time the travel of his dependents is performed, or at the time his baggage and household goods and effects are shipped.

(e) In prescribing the amounts of any monetary allowances authorized pursuant to this section, the President shall give consideration to (1) current economic data on the cost of transportation, of subsistence during periods of travel, and of other incidental expenses related to travel, (2) the rates prescribed by other departments and agencies of the Government, and (3) the conditions under which travel is to be performed.

POST AND DUTY ALLOWANCE

Sec. 304. In such amounts and under such regulations as the Secretary concerned may prescribe, members of the uniformed services entitled to basic pay shall, in addition to any other allowances authorized by this Act, be entitled to a money allowance to reimburse them for extraordinary and necessary expenses which may be incurred when assigned to posts of high responsibility or in connection with the performance of duties or missions engaged in pursuant to competent orders: *Provided*, That, except in those instances where the Secretary concerned shall determine it to be in the interest of national security, any member of the uniformed services receiving any allowance under the provisions of this section shall account for such allowance to the Secretary concerned.

PERSONAL MONEY ALLOWANCE

Sec. 305. (a) Officers entitled to basic pay shall, while serving in the grade of lieutenant general, vice admiral, or in an equivalent grade or rank, in addition to any other pay or allowance authorized by this Act, be entitled to receive a personal money allowance of $500 per annum.

(b) Officers entiled to basic pay shall, while serving in the grade of general, admiral, or in an equivalent grade or rank, in addition to any other pay or allowance authorized by this Act, be entitled to receive a personal money allowance of $2,200 per annum.

(c) Officers shall, while serving as the Chief of Staff of the Army, as the Chief of Naval Operations, as the Chief of Staff of the Air Force, or as the Commandant of the Marine Corps, in lieu of any other personal money allowance authorized by this section, but in addition to any other

pay or allowance authorized by this Act, be entitled to receive a personal money allowance of $4,000 per annum.

TITLE IV—PROVISIONS RELATING TO VOLUNTARY RETIREMENT AND SEPARATION, TO DISABILITY AND OTHER INVOLUNTARY RETIREMENT AND SEPARATION, AND TO RETIREMENT AND SEVERANCE PAY

VOLUNTARY RETIREMENT AND SEPARATION

Sec. 401. (a) Officers who have completed twenty or more years of active Federal service and have attained the age of sixty or more years shall, if retirement for age is not mandatory, upon making application therefor, be retired with service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title.

(b) Officers (1) of the Army, Navy, Air Force, and Marine Corps who have once failed of selection for promotion to a grade or rank higher than that held at the time of application, (2) of the Coast Guard who are not promoted after having once been considered for promotion to a grade or rank higher than that held at the time of application, and (3) of the Public Health Service who have once failed examination for promotion to a grade or rank higher than that held at the time of application, and who have completed twenty-five or more years of active Federal service prior to attaining the age of sixty years, may, upon making application therefor and subject to the approval of the Secretary concerned, be retired with service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title.

(c) Officers who have completed thirty or more years of active Federal service prior to attaining the age of sixty years may, at any time prior to attaining such age, upon making application therefor and subject to the approval of the Secretary concerned, be retired with service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title.

(d) Enlisted persons of the uniformed services who have completed twenty or more but less than thirty years of active Federal service and have attained the age of fifty or more years, and enlisted persons of the uniformed services who have completed thirty or more years of active Federal service, shall, upon making application therefor, be retired with service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title.

(e) Enlisted persons of the uniformed services who are serving on active duty and have completed twenty-five or more but less than thirty years of active Federal service may, upon making application therefor and subject to the approval of the Secretary concerned, elect either to be retired and receive service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the effective date of retirement, or to be separated from their service and receive severance pay computed by the application of the severance pay formula as prescribed in section 413 of this title.

PAY FOR MEMBERS OF THE UNIFORMED SERVICES INVOLUNTARILY RETIRED OR SEPARATED

Sec. 402. (a) Officers who, under any provision of law, are required to be involuntarily retired or separated from their service for reasons other than inefficiency, physical disability, moral unfitness, disciplinary action, or misconduct shall, notwithstanding any other provision of law, be entitled to be retired or separated and to receive service-retirement pay or severance pay as hereinafter provided:

(1) Such officers who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, have served at least the last ten years on continuous active duty, and have completed twenty-five or more years of active Federal service, may elect (A) to be retired and to receive service-retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the effective date of retirement; or (B) to be separated and to receive severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title.

(2) Such officers who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, have served at least the last ten years on continuous active duty, and have completed twenty or more but less than twenty-five years of active Federal service, may elect (A) to be retired and to receive service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the sixtieth birthday or the effective date of retirement of the officer concerned, whichever is later; (B) to be retired and to receive service retirement pay, the rate to be one-half the amount computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the effective date of retirement; or (C) to be separated and to receive severance pay computed by the application of the severance pay formula as prescribed in section 413 of this title.

(3) Such officers who, on the date upon which such other provision of law requires retirement or separation, are either not serving on active duty, or, if serving on active duty, have not served at least the last five years on continuous active duty, but who have completed twenty or more but less than thirty years of active Federal service, shall be retired and be entitled to receive service retirement pay computed by the application of the retirement pay formula as prescribed in sectino 412 of this title, such pay to begin on the sixtieth birthday or on the effective date of retirement of the officer concerned, whichever is later.

(4) Such officers who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, have served at least the last five but less than the last ten years on continuous active duty, and have completed twenty or more but less than thirty years of active Federal service, may elect (A) to be retired and to receive service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the sixtieth birthday or on the effective date of retirement of the officer concerned, whichever is later; or (B) to be separated and to receive severance pay computed by the application of the severance pay formula as prescribed in section 413 of this title.

(5) Such officers of the Regular components of the uniformed services who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, but who do not meet the qualifications of active Federal service and continuous active duty prescribed in parts (1), (2), (3), or (4) of this subsection, shall be separated and be entitled to receive severance pay computed by the application of the severance pay formula as prescribed in section 413 of this title.

(6) Such officers of any of the reserve components of the uniformed services who, on the date upon which such other provision of law requires retirement or separation, are on active duty, have served at least the last five years on continuous active duty, but do not meet the qualifications of active Federal service as prescribed in part (4) of this subsection, shall be separated and shall be entitled to receive severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title.

(b) Enlisted persons of the uniformed services who, under any provision of law, are required to be involuntarily retired or separated from their service for reasons other than inefficiency, physical disability, moral unfitness, disciplinary action, or misconduct, shall, notwithstanding any other provision of

law, be entitled to be retired or separated and to receive service-retirement pay or severance pay as hereinafter provided:

(1) Such enlisted persons who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, have served at least the last ten years on continuous active duty, and have completed twenty-five or more but less than thirty years of active Federal service, may elect (A) to be retired and to receive service-retirement pay computed by the application of the retirement-pay formula as prescribed in section 412 of this title, such pay to begin on the effective date of retirement; or (B) to be separated and to receive severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title.

(2) Such enlisted persons who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, have served at least the last ten years on continuous active duty, and have completed twenty or more but less than twenty-five years of active Federal service, may elect (A) to be retired and to receive service-retirement pay computed by the application of the retirement-pay formula as prescribed in section 412 of this title, such pay to begin on the fiftieth birthday or the effective date of retirement of the enlisted person concerned, whichever is later; (B) to be retired and to receive service-retirement pay, the rate to be one-half the amount computed by the application of the retirement-pay formula as prescribed in section 412 of this title, such pay to begin on the effective date of retirement; or (C) to be separated and to receive severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title.

(3) Such enlisted persons who, on the date upon which such other provision of law requires retirement or separation, are either not serving on active duty, or, if serving on active duty, have not served at least the last five years on continuous active duty, but who have completed twenty or more but less than thirty years of active Federal service, shall be retired and be entitled to receive service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the fiftieth birthday or on the effective date of retirement of the enlisted person concerned, whichever is later.

(4) Such enlisted persons who, on the date such other provision of law requires retirement or separation, are serving on active duty, have served at least the last five but less than the last ten years on continuous active duty, and have completed twenty or more but less than thirty years of active Federal service, may elect (A) to be retired and to receive service retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, such pay to begin on the fiftieth birthday or on the effective date of retirement of the enlisted person concerned, whichever is later; or (B) to be separated and to receive severance pay computed by the application of the severance pay formula as prescribed in section 413 of this title.

(5) Such enlisted persons of the Regular components of the uniformed services who, on the date upon which such other provision of law requires retirement or separation, are serving on active duty, but who do not meet the qualifications of active Federal service and continuous active duty prescribed in parts (1), (2), (3), or (4) of this subsection, shall be separated and be entitled to receive severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title.

(6) Such enlisted persons of any of the reserve components of the uniformed services who, on the date upon which such other provision of law requires retirement or separation, are on active duty, have served at least the last five years on continuous active duty, but do not meet the qualifications of active Federal service as prescribed in part (4) of this subsection, shall be separated and shall be entitled to receive severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title.

(c) Refusal by the Government or an enlisted member of the uniformed services to accept reenlistment shall not, for the purposes of subsection (b) of this section, constitute involuntary separation from the service.

(d) Members of the uniformed services who, under any provisions of law, are required by reason of age, to be retired or separated from their service, shall, if not qualified to be retired and to receive service retirement pay as provided in this title, notwithstanding such provisions of law, be separated and be entitled to receive severance pay computed by the application of the severance pay formula as provided in section 413 of this title: *Provided*, That no member of the uniformed services shall, under any provision of law, be retired or separated solely for reasons of age prior to such member's attaining the age of sixty years.

(e) Members of any of the reserve components of the uniformed services who do not qualify for retirement pay or accept severance pay under the provisions of this title, shall not, by reason of the provisions of this title, be prohibited from receiving any pay to which they are now or to which they may hereafter become entitled under the provisions of title III of the Act of June 29, 1948 (ch. 708, 62 Stat. 1081). On and after the effective date of this Act, persons heretofore or hereafter retired under the provisions of title III of the Act of June 29, 1948 (ch. 708, 62 Stat. 1081), shall be entitled to receive retirement pay computed by the application of the retirement-pay formula as prescribed in section 412 of this Act.

(f) Members of the uniformed services who, under any provision of law, are separated from their service because of inefficiency shall, notwithstanding any other provision of law, be entitled to receive severance pay only, such pay to be determined by multiplying the amount computed by the application of the severance-pay formula as prescribed in section 413 of this title by one-half, such severance pay in no case to exceed one year's basic pay.

(g) Members of the uniformed services who, under any provision of law, are separated from their service because of moral unfitness, disciplinary action, or misconduct shall not be entitled to any of the benefits provided in this title.

(h) For the purposes of this section, the term "continuous active duty" shall be interpreted to mean: (1) For officers: Periods of noninterrupted service on the active list or on active duty as a member of the uniformed services, except that any period of time between December 7, 1941, and January 1, 1948, in which such a member was not on the active list or active duty shall not, if such member became an officer in a Regular component of the uniformed services between such dates, be considered an interruption in such continuous active duty for such member, but such period of time shall not be counted in computing the total amount of continuous active duty. (2) For enlisted persons: Periods of noninterrupted service on active duty as a member of the uniformed services, except that any period of ninety days or less between consecutive periods of enlistment shall not be considered an interruption in such continuous active duty for such member, but such period of time shall not be counted in computing the total amount of continuous active duty.

RETIREMENT AND RETIREMENT PAY FOR PHYSICAL DISABILITY

Sec. 403. (a) Upon a determination (1) that a member of the uniformed services is unfit to perform the duties of his office, grade, or rating by reason of physical disability resulting from an injury or disease or from an aggravation of a preexisting injury or disease or from a combination of any such injury or disease, (2) that such disability is not due to the misconduct or willful neglect of such member, (3) that such disability is 30 per centum or more in accordance with the standard schedule of rating disabilities in current use by

the Veterans' Administration, and (4) that such disability resulted directly from the performance of active duty, full-time training duty, other full-time duty, or inactive-duty training, as the case may be, such member shall be retired by the Secretary concerned and shall be entitled to disability retirement pay pursuant to subsection)c) of this section.

(b) Upon a determination (1) that a member of a Regular component of the uniformed services entitled to basic pay, or a member of a reserve component of the uniformed services entitled to basic pay who has been called or ordered to extended active duty for a period in excess of thirty days, is unfit to perform the duties of his office, grade, or rating by reason of physical disability resulting from an injury or disease or from an aggravation of a preexisting injury or disease or from a combination of any such injury or disease, incurred while entitled to basic pay, (2) that such disability is not due to the misconduct or willful neglect of such member, and (3) that such disability is 30 per centum or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, any such member who has completed at least fifteen years of active Federal service shall be retired by the Secretary concerned and shall be entitled to disability retirement pay pursuant to subsection (c) of this section.

(c) A member of the uniformed services retired pursuant to either subsection (a) or subsection (b) of this section shall be entitled to receive disability retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, but in no case shall such retirement pay be less than 50 per centum of the basic pay of the grade upon which disability retirement pay is authorized to be computed: *Provided*, That, in the application of such formula, if the grade or rank in which such member is serving at the time of retirement is higher than that provided in the formula, the basic pay of such higher grade shall be used for such computation: *Provided further*, That if the physical disability entitling such member to disability retirement pay is found to exist at the time that a physical examination is given in connection with an examination or selection for any permanent promotion, or for any temporary promotion when eligibility for examination or eligibility for consideration for selection for such temporary promotion is based solely upon cumulative years of service or years of service in grade, the disability retirement pay of such member shall be based upon the pay of the grade to which such member would have been promoted but for such disability, if such grade is higher than any other grade upon which disability retirement pay is authorized to be computed: *And provided further*, That the basic pay of the grade upon which disability retirement pay is authorized to be computed shall be the basic pay which such member would be entitled to receive if serving on active duty in such grade at the time of retirement.

(d) If a member of the uniformed services eligible to be retired for physical disability and to be paid disability retirement pay pursuant to this section elects, either prior or subsequent to such retirement, to receive a pension, annuity, compensation, or other payments for the same disability from some other Government department or agency under other provisions of law, such election shall be final.

SEPARATION AND SEVERANCE PAY FOR PHYSICAL DISABILITY

Sec. 404. (a) When a member of the uniformed services, who is otherwise entitled to retirement pursuant to section 403 of this title, has a physical disability of less than 30 per centum, or when a member of the uniformed services, who is otherwise entitled to retirement pursuant to subsection (b) of said section, has not completed fifteen years of active Federal service, such member shall be separated for physical disability from the service concerned and shall receive disability severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title, but in no case shall such severance pay be less than three months' basic pay: *Provided*, That the basic pay upon which such computation shall be based shall be the basic pay of the highest grade or rank upon which disability retirement pay is authorized to be computed pursuant to section 403 of this title: *Provided further*, That if such member meets the qualifications for involuntary retirement pursuant to section 402 of this title, he shall, upon a determination that he is to be separated from his service, be involuntarily retired and receive service-retirement pay pursuant to said section 402.

(b) When a member of the uniformed services incurs a disability which is determined to render him unfit to perform the duties of his office, grade, or rating and which is determined to have resulted from his misconduct or willful neglect, such member shall be separated from the service concerned without entitlement to any of the benefits of this title.

PERIODIC PHYSICAL EXAMINATIONS

Sec. 405. (a) A member of the uniformed services hereafter retired for physical disabiilty may be required to submit to periodic physical examinations during the first five years of such retirement or until he reaches the age of sixty, if an officer, or the age of fifty if an enlisted person, whichever date is the earlier.

(b) A member of the uniformed services retired for physical disability who is required to submit to a periodic physical examination shall, for travel performed, be entitled to receive the travel and transportation allowance authorized for the grade or rank in which retired for temporary duty travel performed while on active duty. Failure of any such member to report for any periodic physical examination after receipt of proper notification shall be considered cause for terminating disability retirement pay, except that such payments may be reinstated at a later date if just cause existed for such failure to report, in which case payments may be retroactive for a period of not to exceed one year.

CONTINUED BENEFITS FOR MEMBERS RETIRED FOR PHYSICAL DISABILITY

Sec. 406. (a) If, as a result of a periodic physical examination, it is determined that a member of the uniformed services retired for physical disability is still eligible for such retirement in accordance with the requirements of either subsection (a) or subsection (b) of section 403 of this title, he shall be continued in his retired status and continue to receive the same retirement pay.

(b) If, as a result of a periodic physical examination, it is determined that a member of the uniformed services retired for physical disability is no longer eligible to remain in such status, but is eligible for separation and disability severance pay pursuant to subsection (a) of section 404 of this title, such member shall be separated from the service concerned and be paid disability severance pay pursuant to said subsection.

RECOVERY FROM PHYSICAL DISABILITY

Sec. 407. (a) If, as a result of a periodic physical examination, a member of a Regular component of the uniformed services who has been retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, he shall, subject to his consent, if an officer, be called to active duty and, as soon thereafter as practicable, be reappointed, subject to the provisions of section 409 of this title, to the active list of the Regular component from which retired, or, if an enlisted person, be reenlisted in the Regular component from which retired.

(b) If, as a result of a periodic physical examination, a member of a reserve component of the uniformed services who has been retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, he shall, subject to his consent, be reappointed or reenlisted, as the case may be, in the reserve component from which retired: *Provided*, That if such member was

retired for physical disability incurred while serving in the National Guard of the United States, or in the Air National Guard of the United States, he shall, subject to his consent, if not reappointed or reenlisted, as the case may be, in the component from which retired, be reappointed or reenlisted, as the case may be, in the Organized Reserve Corps or the Air Force Reserve.

(c) Any reappointment or reenlistment authorized pursuant to subsection (a) or subsection (b) of this section shall be in a rank or grade not lower than the rank or grade permanently held at the time of retirement, and may be in the rank or grade immediately above the rank or grade permanently held at the time of retirement. When seniority in grade or years of service is an applicable factor in qualifying a member of the uniformed services for future promotion, such member who is being reappointed or reenlisted pursuant to this section shall, for the purpose of placement on a lineal list, promotion list, or other similar list, be given such seniority in grade or be credited with such years of service as may be authorized by the Secretary concerned. Action under this subsection shall be taken on a fair and equitable basis regard being given to the probable opportunities for advancement and promotion to which such member might reasonably have become entitled but for his retirement.

TERMINATION OF DISABILITY RETIREMENT PAY

Sec. 408. (a) If, as a result of a periodic physical examination, a member of the uniformed services retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, he shall—

(1) if an officer of a Regular component at the time of retirement, have his disability retirement pay terminated upon the date of his call to active duty and his retired status terminated on the date of his reappointment to the active list;

(2) if an enlisted person of a Regular component at the time of retirement, have both his retired status and his disability retirement pay terminated on the date of his reenlistment in the regular component from which retired; or

(3) if a member of a reserve component at the time of retirement, have his retired status and his disability retirement pay terminated on the date of his reappointment or reenlistment, as the case may be.

(b) If any such member does not consent to any action taken pursuant to either subsection (a) or subsection (b) of section 407 of this title, his retired status and his retirement pay shall be terminated as soon thereafter as practicable.

REAPPOINTMENT OF RETIRED OFFICERS TO THE ACTIVE LIST

Sec. 409. (a) The President, by and with the advice and consent of the Senate, is hereby authorized, in his discretion, to reappoint to the active list of the appropriate Regular component of the uniformed services commissioned officers of the Regular components of the uniformed services who have been retired for physical disability and are subsequently found to be physically fit to perform the duties of their office on active duty. The President, or the Secretary concerned, as the case may be, is authorized to reappoint to the active list of the appropriate Regular component of the uniformed services, warrant officers of the Regular components of the uniformed services, who have been retired for physical disability and are subsequently found to be physically fit to perform the duties of their office, grade, or rating.

(b) Irrespective of any vacancy in a grade, the authorized number of officers in such grade shall be temporarily increased, if necessary, to authorize the appointments required by section 407 of this title.

TAXATION OF DISABILITY RETIREMENT PAY

Sec. 410. (a) If on the date that an officer completes five continuous years of retirement for physical disability, he is at least sixty years of age, or he has completed at least twenty-five years of active Federal service, which shall include the five years spent on such retirement, his retirement pay shall thereafter be included in his gross income for purposes of Federal taxation under the provisions of chapter 1 of the Internal Revenue Code, as now or hereafter amended.

(b) If on the date that an enlisted person completes five continuous years of retirement for physical disability, he is at least fifty years of age, or he has completed at least twenty years of active Federal service, which shall include the five years spent on such retirement, his retirement pay shall thereafter be included in his gross income for purposes of Federal taxation under the provisions of chapter 1 of the Internal Revenue Code, as now or hereafter amended.

(c) If a member of the uniformed services retired for physical disability pursuant to this title is eligible, on the date of such retirement, to be retired and to receive service-retirement pay pursuant to section 401 of this title, his retirement pay shall be included in his gross income for purposes of Federal taxation under the provisions of chapter I of the Internal Revenue Code, as now or hereafter amended.

CREDITING OF PERIOD OF DISABILITY RETIREMENT

Sec. 411. If, as a result of a periodic physical examination, a member of the uniformed services retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, the period of such retirement shall be credited, for pusposes of any other retirement authorized by this title, as a continuous period of active duty and as years of active Federal service, but shall not be credited as years of active Federal service in the computation of retirement pay.

RETIREMENT PAY FORMULA

Sec. 412. Monthly retirement pay shall be 2½ per centum multiplied by a number equal to the number of years and any fraction thereof of active Federal service to which such member is entitled under the provisions of section 414 of this title multipled by an amount equal to the monthly basic pay of the highest federally recognized rank or grade, temporary or permanent, satisfactorily held by such member for at least six months of active Federal service during his entire service and which such member would be entitled to receive at the time of his retirement if serving on active duty in such grade: *Provided*, That in no event shall the retirement pay exceed 75 per centum of the basic pay used in the computation thereof: *Provided further*, That a member of the uniformed services holding a warrant-officer grade or rank at the time of retirement, who, previous to that time, at his own request had vacated a commissioned officer grade or rank, or who, while holding or having held a commissioned officer grade or rank in any of the reserve components of the uniformed services and while serving or having served on active duty in such officer grade or rank had requested his relief from such active duty, shall, pursuant to the provisions of this section, have his service-retirement pay computed upon the basic pay of the highest federally recognized warrant-officer grade or rank satisfactorily held for at least six months of active Federal service during his entire period of service: *And provided further*, That a member of the uniformed services holding an enlisted rank or grade at the time of retirement, who previous to that time, at his own request had vacated an officer grade or rank, or who, while holding or having held an officer grade or rank in any of the reserve components of the uniformed services and while serving or having served on active duty in such officer rank or grade had requested his relief from such active duty, shall, pursuant to the provisions of this section, have his retirement pay computed upon the basic pay of the highest federally recog-

the Veterans' Administration, and (4) that such disability resulted directly from the performance of active duty, full-time training duty, other full-time duty, or inactive-duty training, as the case may be, such member shall be retired by the Secretary concerned and shall be entitled to disability retirement pay pursuant to subsection)c) of this section.

(b) Upon a determination (1) that a member of a Regular component of the uniformed services entitled to basic pay, or a member of a reserve component of the uniformed services entitled to basic pay who has been called or ordered to extended active duty for a period in excess of thirty days, is unfit to perform the duties of his office, grade, or rating by reason of physical disability resulting from an injury or disease or from an aggravation of a preexisting injury or disease or from a combination of any such injury or disease, incurred while entitled to basic pay, (2) that such disability is not due to the misconduct or willful neglect of such member, and (3) that such disability is 30 per centum or more in accordance with the standard schedule of rating disabilities in current use by the Veterans' Administration, any such member who has completed at least fifteen years of active Federal service shall be retired by the Secretary concerned and shall be entitled to disability retirement pay pursuant to subsection (c) of this section.

(c) A member of the uniformed services retired pursuant to either subsection (a) or subsection (b) of this section shall be entitled to receive disability retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this title, but in no case shall such retirement pay be less than 50 per centum of the basic pay of the grade upon which disability retirement pay is authorized to be computed: *Provided*, That, in the application of such formula, if the grade or rank in which such member is serving at the time of retirement is higher than that provided in the formula, the basic pay of such higher grade shall be used for such computation: *Provided further*, That if the physical disability entitling such member to disability retirement pay is found to exist at the time that a physical examination is given in connection with an examination or selection for any permanent promotion, or for any temporary promotion when eligibility for examination or eligibility for consideration for selection for such temporary promotion is based solely upon cumulative years of service or years of service in grade, the disability retirement pay of such member shall be based upon the pay of the grade to which such member would have been promoted but for such disability, if such grade is higher than any other grade upon which disability retirement pay is authorized to be computed: *And provided further*, That the basic pay of the grade upon which disability retirement pay is authorized to be computed shall be the basic pay which such member would be entitled to receive if serving on active duty in such grade at the time of retirement.

(d) If a member of the uniformed services eligible to be retired for physical disability and to be paid disability retirement pay pursuant to this section elects, either prior or subsequent to such retirement, to receive a pension, annuity, compensation, or other payments for the same disability from some other Government department or agency under other provisions of law, such election shall be final.

SEPARATION AND SEVERANCE PAY FOR PHYSICAL DISABILITY

Sec. 404. (a) When a member of the uniformed services, who is otherwise entitled to retirement pursuant to section 403 of this title, has a physical disability of less than 30 per centum, or when a member of the uniformed services, who is otherwise entitled to retirement pursuant to subsection (b) of said section, has not completed fifteen years of active Federal service, such member shall be separated for physical disability from the service concerned and shall receive disability severance pay computed by the application of the severance-pay formula as prescribed in section 413 of this title, but in no case shall such severance pay be less than three months' basic pay: *Provided*, That the basic pay upon which such computation shall be based shall be the basic pay of the highest grade or rank upon which disability retirement pay is authorized to be computed pursuant to section 403 of this title: *Provided further*, That if such member meets the qualifications for involuntary retirement pursuant to section 402 of this title, he shall, upon a determination that he is to be separated from his service, be involuntarily retired and receive service-retirement pay pursuant to said section 402.

(b) When a member of the uniformed services incurs a disability which is determined to render him unfit to perform the duties of his office, grade, or rating and which is determined to have resulted from his misconduct or willful neglect, such member shall be separated from the service concerned without entitlement to any of the benefits of this title.

PERIODIC PHYSICAL EXAMINATIONS

Sec. 405. (a) A member of the uniformed services hereafter retired for physical disabiilty may be required to submit to periodic physical examinations during the first five years of such retirement or until he reaches the age of sixty, if an officer, or the age of fifty if an enlisted person, whichever date is the earlier.

(b) A member of the uniformed services retired for physical disability who is required to submit to a periodic physical examination shall, for travel performed, be entitled to receive the travel and transportation allowance authorized for the grade or rank in which retired for temporary duty travel performed while on active duty. Failure of any such member to report for any periodic physical examination after receipt of proper notification shall be considered cause for terminating disability retirement pay, except that such payments may be reinstated at a later date if just cause existed for such failure to report, in which case payments may be retroactive for a period of not to exceed one year.

CONTINUED BENEFITS FOR MEMBERS RETIRED FOR PHYSICAL DISABILITY

Sec. 406. (a) If, as a result of a periodic physical examination, it is determined that a member of the uniformed services retired for physical disability is still eligible for such retirement in accordance with the requirements of either subsection (a) or subsection (b) of section 403 of this title, he shall be continued in his retired status and continue to receive the same retirement pay.

(b) If, as a result of a periodic physical examination, it is determined that a member of the uniformed services retired for physical disability is no longer eligible to remain in such status, but is eligible for separation and disability severance pay pursuant to subsection (a) of section 404 of this title, such member shall be separated from the service concerned and be paid disability severance pay pursuant to said subsection.

RECOVERY FROM PHYSICAL DISABILITY

Sec. 407. (a) If, as a result of a periodic physical examination, a member of a Regular component of the uniformed services who has been retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, he shall, subject to his consent, if an officer, be called to active duty and, as soon thereafter as practicable, be reappointed, subject to the provisions of section 409 of this title, to the active list of the Regular component from which retired, or, if an enlisted person, be reenlisted in the Regular component from which retired.

(b) If, as a result of a periodic physical examination, a member of a reserve component of the uniformed services who has been retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, he shall, subject to his consent, be reappointed or reenlisted, as the case may be, in the reserve component from which retired: *Provided*, That if such member was

retired for physical disability incurred while serving in the National Guard of the United States, or in the Air National Guard of the United States, he shall, subject to his consent, if not reappointed or reenlisted, as the case may be, in the component from which retired, be reappointed or reenlisted, as the case may be, in the Organized Reserve Corps or the Air Force Reserve.

(c) Any reappointment or reenlistment authorized pursuant to subsection (a) or subsection (b) of this section shall be in a rank or grade not lower than the rank or grade permanently held at the time of retirement, and may be in the rank or grade immediately above the rank or grade permanently held at the time of retirement. When seniority in grade or years of service is an applicable factor in qualifying a member of the uniformed services for future promotion, such member who is being reappointed or reenlisted pursuant to this section shall, for the purpose of placement on a lineal list, promotion list, or other similar list, be given such seniority in grade or be credited with such years of service as may be authorized by the Secretary concerned. Action under this subsection shall be taken on a fair and equitable basis regard being given to the probable opportunities for advancement and promotion to which such member might reasonably have become entitled but for his retirement.

TERMINATION OF DISABILITY RETIREMENT PAY

Sec. 408. (a) If, as a result of a periodic physical examination, a member of the uniformed services retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, he shall—

(1) if an officer of a Regular component at the time of retirement, have his disability retirement pay terminated upon the date of his call to active duty and his retired status terminated on the date of his reappointment to the active list;

(2) if an enlisted person of a Regular component at the time of retirement, have both his retired status and his disability retirement pay terminated on the date of his reenlistment in the regular component from which retired; or

(3) if a member of a reserve component at the time of retirement, have his retired status and his disability retirement pay terminated on the date of his reappointment or reenlistment, as the case may be.

(b) If any such member does not consent to any action taken pursuant to either subsection (a) or subsection (b) of section 407 of this title, his retired status and his retirement pay shall be terminated as soon thereafter as practicable.

REAPPOINTMENT OF RETIRED OFFICERS TO THE ACTIVE LIST

Sec. 409. (a) The President, by and with the advice and consent of the Senate, is hereby authorized, in his discretion, to reappoint to the active list of the appropriate Regular component of the uniformed services commissioned officers of the Regular components of the uniformed services who have been retired for physical disability and are subsequently found to be physically fit to perform the duties of their office on active duty. The President, or the Secretary concerned, as the case may be, is authorized to reappoint to the active list of the appropriate Regular component of the uniformed services, warrant officers of the Regular components of the uniformed services, who have been retired for physical disability and are subsequently found to be physically fit to perform the duties of their office, grade, or rating.

(b) Irrespective of any vacancy in a grade, the authorized number of officers in such grade shall be temporarily increased, if necessary, to authorize the appointments required by section 407 of this title.

TAXATION OF DISABILITY RETIREMENT PAY

Sec. 410. (a) If on the date that an officer completes five continuous years of retirement for physical disability, he is at least sixty years of age, or he has completed at least twenty-five years of active Federal service, which shall include the five years spent on such retirement, his retirement pay shall thereafter be included in his gross income for purposes of Federal taxation under the provisions of chapter 1 of the Internal Revenue Code, as now or hereafter amended.

(b) If on the date that an enlisted person completes five continuous years of retirement for physical disability, he is at least fifty years of age, or he has completed at least twenty years of active Federal service, which shall include the five years spent on such retirement, his retirement pay shall thereafter be included in his gross income for purposes of Federal taxation under the provisions of chapter 1 of the Internal Revenue Code, as now or hereafter amended.

(c) If a member of the uniformed services retired for physical disability pursuant to this title is eligible, on the date of such retirement, to be retired and to receive service-retirement pay pursuant to section 401 of this title, his retirement pay shall be included in his gross income for purposes of Federal taxation under the provisions of chapter I of the Internal Revenue Code, as now or hereafter amended.

CREDITING OF PERIOD OF DISABILITY RETIREMENT

Sec. 411. If, as a result of a periodic physical examination, a member of the uniformed services retired for physical disability is found to be physically fit to perform the duties of his office, grade, or rating, the period of such retirement shall be credited, for pusposes of any other retirement authorized by this title, as a continuous period of active duty and as years of active Federal service, but shall not be credited as years of active Federal service in the computation of retirement pay.

RETIREMENT PAY FORMULA

Sec. 412. Monthly retirement pay shall be 2½ per centum multiplied by a number equal to the number of years and any fraction thereof of active Federal service to which such member is entitled under the provisions of section 414 of this title multipled by an amount equal to the monthly basic pay of the highest federally recognized rank or grade, temporary or permanent, satisfactorily held by such member for at least six months of active Federal service during his entire service and which such member would be entitled to receive at the time of his retirement if serving on active duty in such grade: *Provided*, That in no event shall the retirement pay exceed 75 per centum of the basic pay used in the computation thereof: *Provided further*, That a member of the uniformed services holding a warrant-officer grade or rank at the time of retirement, who, previous to that time, at his own request had vacated a commissioned officer grade or rank, or who, while holding or having held a commissioned officer grade or rank in any of the reserve components of the uniformed services and while serving or having served on active duty in such officer grade or rank had requested his relief from such active duty, shall, pursuant to the provisions of this section, have his service-retirement pay computed upon the basic pay of the highest federally recognized warrant-officer grade or rank satisfactorily held for at least six months of active Federal service during his entire period of service: *And provided further*, That a member of the uniformed services holding an enlisted rank or grade at the time of retirement, who previous to that time, at his own request had vacated an officer grade or rank, or who, while holding or having held an officer grade or rank in any of the reserve components of the uniformed services and while serving or having served on active duty in such officer rank or grade had requested his relief from such active duty, shall, pursuant to the provisions of this section, have his retirement pay computed upon the basic pay of the highest federally recog-

nized enlisted grade or rank satisfactorily held for at least six months of active Federal service during his entire period of service.

SEVERANCE-PAY FORMULA

Sec. 413. Severance pay shall be computed as follows: When the active Federal service, as provided in section 414 of this title, of the member of the uniformed services concerned is from zero to four years, inclusive, severance pay shall be one-half month's basic pay for each year of such service; when the active Federal service of the member concerned is from five to nine years, inclusive, severance pay shall be two and one-half months' basic pay plus one month's basic pay for each year of such service over five years; when the active Federal service of the member concerned is ten or more years, severance pay shall be seven and one-half months' basic pay plus one and one-half months' basic pay for each year of such service over ten years: *Provided*, That in no case shall severance pay exceed two years' basic pay: *Provided further*, That for the purposes of this computation fractions of one-half year or more of active Federal service shall be counted as a whole year: *Provided furthe*, That the basic pay to be used in the computation of severance pay shall be that of the highest federally recognized rank or grade, temporary or permanent, satisfactorily held by such member for a least six months of active Federal service during his entire service and which such member would be entitled to receive at the time of his separation if serving on active duty in such grade: *And provided further*, That the foregoing proviso relating to basic pay shall be subject to the limitations relating to members of the uniformed services holding a warrant officer or enlisted grade or rank at the time of retirement as provided in the retirement-pay formula, except that for purposes of the severance-pay forfula the limitation shall apply as of the time of separation.

ACTIVE FEDERAL SERVICE

Sec. 414. (a) Except as provided in subsection (b) of this section, in computing the number of years of active Federal service to be counted by a member of the uniformed services for the purpose of construing this title and title V of this Act, such member shall, subject to the provisions of subsection (d) of this section, be credited with—

(1) the number of days of service while on the active list or on active duty as a member of the uniformed services, and service as a deck officer or junior engineer in the Coast and Geodetic Survey; or

(2) the number of days which shall consist of the sum of the following: (A) All days of service as a member of the uniformed services while on the active list or on active duty or while participating in full-time training or other full-time duty (provided for or authorized in the National Defense Act, as amended, or in the Naval Reserve Act of 1938, as amended, or in other provisions of law, including participation in exercises or performance of the duties provided for by sections 94, 97, and 99 of the National Defense Act, as amended), plus (B) fifty days for each year of Federal service, other than service set forth in (A) above, as a member of a reserve component prior to June 29, 1948, plus (C) one day for each drill or period of equivalent instruction, such drills and periods of equivalent instruction to be restricted to those prescribed and authorized by the Secretary concerned for the year concerned, and to conform to the requirements prescribed by other provisions of law, performed as a member of a reserve component on or subsequent to June 29, 1948, plus (D) fifteen days for membership in a reserve component for each year of Federal service other than service set forth in (A) above, on or subsequent to June 29, 1948: *Provided*, That no more than sixty days shall be credited under (C) and (D) above in any one year: *Provided further*, That, for purposes of this subsection, the term "reserve component" shall, in addition to all reserve components of the uniformed services, include such other organizations as are set forth in section 306 (c) of the Act of June 29, 1948 (ch. 708, 62 Stat. 1081).

(b) Subject to the provisions of subsection (d) of this section, any commissioned officer who has been appointed in a Regular component of the uniformed services prior to the date of enactment of this Act and is on the active list of any Regular component of the uniformed services on the date of enactment of this Act shall, for the purpose of computing the number of years of active Federal service to be credited to him for eligibility for the benefits and computation of benefits under the involuntary and disability retirement and separation provisions of this title, be credited with such number of days as are determined to be the greatest number of days by one of the three following methods of computation:

(1) the number of days of active Federal service as provided in subsection (a) of this section;

(2) the number of days by which his age at the time of such appointment exceeds twenty-five years, increased by the number of days of his active commissioned service in a Regular component subsequent to such appointment; or

(3) the number of days of active Federal service performed by him after attaining the age of twenty-one years as a commissioned officer in the uniformed services from December 7, 1941, to the date of such appointment, increased by the number of days of his active commissioned service in a Regular component of the uniformed services subsequent to such appointment.

(c) Subject to the provisions of subsection (d) of this section, in computing the number of years of active Federal service to be counted by a commissioned officer of the Public Health Service for purposes of construing this title and title V of this Act, such officer shall be credited with the number of days of his active noncommissioned service with the Public Health Service, in addition to all other days creditable under subsection (a) of this section, but no one day shall, for any reason, be counted more than once. No commissioned officer of the Regular Corps of the Public Health Service shall be authorized to combine active Federal service creditable under this subsection with active Federal service creditable under subsection (b) (2) of this section.

(d) For purposes of subsections (a), (b), and (c) of this section, no member of the uniformed services shall be credited with more than three hundred and sixty days of active Federal service in any one year, and the number of years of active Federal service and any fraction thereof shall be determined by dividing the total number of days of active Federal service so credited by three hundred and sixty.

(e) Notwithstanding any other provision of law, persons appointed as commissioned officers in a Regular component of the uniformed services on or subsequent to the date of enactment of this Act shall be credited with days of active Federal service only as provided in subsection (a) of this section, and, in case of commissioned officers of the Public Health Service, as provided in subsection (c) of this section.

TAXATION OF SEVERANCE PAY

Sec. 415. If not exempt from Federal taxation by some other provision of law, severance pay shall, for purposes of Federal taxation pursuant to chapter 1 of the Internal Revenue Code, as amended, be deemed to have been received, beginning with the month following the month in which such person was separated, on a prorated basis over a number of months which is equal to the number of months of basic pay received by such person as severance pay.

GRADE OR RANK IN WHICH RETIRED

Sec. 416. A member of the uniformed services who is

retired pursuant to this title shall be retired in the rank or grade upon which his retirement pay is based or in such higher rank or grade as may be authorized by law.

CESSATION OF BENEFITS UPON SEPARATION

Sec. 417. Any person who has been separated from any of the uniformed services and paid severance pay pursuant to this title shall not thereafter, unless such person again becomes a member of the uniformed services, be entitled to receive from the service from which such person was separated any payment for any monetary obligation provided under any provision of law administered by any uniformed service or for such uniformed service by any other uniformed service on account of or arising out of such person's service on or prior to such separation: *Provided*, That such separation shall not operate to bar the beneficiaries of such person from the applicable provisions of title V of this Act: *Provided further*, That such separation shall not operate to bar the person concerned from receiving, or the service concerned from paying, any moneys due and payable on the date of separation, or any moneys that may become due as a result of a valid claim processed against the Government pursuant to any provisions of law.

REGULATIONS

Sec. 418. The Secretary concerned shall prescribe regulations for the administrations of this title within his department or agency, including regulations which shall provide that no member of the uniformed services shall be separated or retired for physical disability without a full and fair hearing if he shall demand it.

POWERS, DUTIES, AND FUNCTIONS

Sec. 419. (a) All duties, powers, and functions incident to retirement and the computation of service and disability retirement pay, separation and the computation and payment of severance pay, periodic physical examinations, and the termination of retirement pay shall be vested in the Secretary concerned, or such person or persons as he may designate.

(b) Upon a determination made pursuant to this title that a member of the uniformed service is eligible to be retired and to receive service or disability retirement pay or that such retirement pay is to be terminated, the Secretary concerned, or such persons as he may designate, shall transmit to the Administrator of Veterans' Affairs a certificate stating the date upon which the retirement pay of the member concerned is to commence, the amount of retirement pay which such member is entitled to receive, or the date upon which retirement pay shall be terminated, as the case may be, and such other information as the Administrator of Veterans' Affairs shall determine to be necessary to carry out properly his functions and duties pursuant to this section. All powers, duties, and functions incident to payment of retirement pay in the amount certified shall be vested in the Administrator of Veterans' Affairs.

TITLE V—DEATH BENEFIT

NATIONAL SERVICE LIFE INSURANCE CLOSED TO FUTURE ENTRANTS

Sec. 501. Hereafter, no national service life insurance shall be granted to any person under the provisions of the National Service Life Insurance Act of 1940, as amended, nor shall any Government life insurance or national service life insurance, on which the United States is authorized by law to pay the premium, be issued or granted to any person under any provisions of law: *Provided*, That the foregoing shall not be construed to prohibit the granting or issuing of national service life insurance in cases in which acceptable applications accompanied by proper and valid remittances or authorizations for the payment of premiums have, prior to the date of approval of this Act, been received by the Veterans' Administration, or which have, prior to said date, been placed in the mails properly directed to the Veterans' Administration, or been delivered to an authorized representative of any of the uniformed services, or to prohibit the conversion or exchange of level premium term insurance to or for permanent plans of insurance as now authorized by law. Application for reinstatement of lapsed policies shall be construed to be an application for granting of national service life insurance for purposes of this section.

PAYMENTS MADE BY ADMINISTRATOR OF VETERANS' AFFAIRS

Sec. 502. The death-benefit payments authorized to be made under the provisions of this title shall be made by the Administrator of Veterans' Affairs under such regulations as he may prescribe, and all powers, duties, and functions incident to such payments shall be vested in the Administrator of Veterans' Affairs. The appropriations for the Veterans' Administration are hereby made available for expenditures necessary for the Administrator of Veterans' Affairs to carry out the provisions of this title, and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish that purpose.

CONDITIONS OF PAYMENT—MAXIMUM AMOUNT AUTHORIZED

Sec. 503. (a) When any member of the uniformed services dies (1) while entitled to basic pay as provided in section 201 of this Act, (2) while acting under competent orders on inactive duty training, or (3) while receiving disability retirement pay under the provisions of title IV of this Act, his beneficiaries shall be eligible to receive a death benefit of not to exceed $10,000. Such benefit shall be paid pursuant to the provisions of section 505 of this title.

(b) When any cadet, midshipman or aviation cadet of the uniformed services dies while in active service, his beneficiaries shall be eligible to receive a death benefit of not to exceed $10,000. Such benefit shall be paid pursuant to the provisions of section 505 of this title.

(c) When any member of the Regular components of the uniformed services, except any such member who, when retired, elected deferred service retirement pay under section 402 of this Act with payments to begin at a certain age, who is receiving service retirement pay under the provisions of title IV of this Act dies on or before a date which is one year from the date of his retirement, his beneficiaries shall be eligible to receive a death benefit of not to exceed the product obtained by multiplying $10,000 by a fraction, the numerator of which is a number equal to the monthly service retirement pay the decedent was receiving at the time of death and the denominator of which is a number equal to the monthly basic pay the decedent would have received if serving on active duty at the time of death. Such benefit shall be paid pursuant to the provisions of section 505 of this title.

(d) When any member of the Regular components of the uniformed services, except any such member who, when retired, elected deferred service retirement pay under section 402 of this Act with payments to begin at a certain age, who is receiving service retirement pay under the provisions of title IV of this Act, dies subsequent to a date which is one year from the date of his retirement, his beneficiaries shall be eligible to receive a death benefit of not to exceed an amount equal to the annual service retirement pay the decedent was receiving at the time of death or the total death benefit such beneficiaries would have been eligible to receive under subsection (c) of this section had the decedent died within the time limitation prescribed in the said subsection (c), whichever amount is the lesser. Such benefit shall be paid pursuant to the provisions of section 505 of this title.

(e) When any former officer of the Regular components of the uniformed services who was involuntarily separated from the services after the date of enactment of this Act because of failure of selection or failure to qualify for pro-

motion, or when any former member of the Regular components of the uniformed services who was separated from the services after the date of enactment of this Act for physical disability with less than 30 per centum disability, dies on or before date which is one year from the date of such separation, his beneficiaries shall be eligible to recive a total death benefit of not to exceed $10,000. Such benefit shall be paid pursuant to the provisions of section 505 of this title. If any such former officer or former member with twenty-five or more years of active Federal service computed as provided in section 414 of this Act, who, though qualified to receive service retirement pay, elected separation from the services with severance pay, dies subsequent to a date which is one year from the date of such separation, his beneficiaries shall be eligible to receive a death benefit of not to exceed the amount of the annual service retirement pay the decedent would have received had he elected to receive such pay or the product obtained by multiplying $10,000 by a fraction, the numerator of which is a number equal to the amount of monthly service retirement pay the decedent would have received had he elected to receive such pay and the denominator of which is a number equal to the amount of the monthly basic pay the decedent would have received if serving on active duty at the time of death, whichever amount is the lesser. Such benefit shall be paid pursuant to the provisions of section 505 of this title.

INFORMATION CERTIFIED BY SECRETARY CONCERNED

Sec. 504. (a) When the members, former members, cadets, midshipmen, or aviation cadets of the uniformed services mentioned in section 503 of this title die under the conditions prescribed in that section, the Secretary concerned, or such person as he may designate for the purpose, shall transmit to the Administrator of Veterans' Affairs a certificate setting forth the name of the decedent, the date of his death, the instructions of the decedent, if any, as to the beneficiary or beneficiaries to whom the death benefit payments are to be made, and such other information as the Administrator of Veterans' Affairs shall determine to be necessary for him to carry out properly his functions and duties under the provisions of this title.

(b) The Secretary concerned shall prescribe regulations for the administration of this title in his department or agency.

DETERMINATION OF STATUS OF BENEFICIARIES—METHOD OF PAYMENT

Sec. 505. (a) The status of beneficiaries shall be determined by the Administrator of Veterans' Affairs as of the date of death or the date of retirement or separation of the member, former member, cadet, midshipman, or aviation cadet concerned, whichever is the earlier, and shall not be subject to change thereafter, except as provided in subsection (b) of this section, and except for children of such decedent born of a martial relationship existing on the date the status of beneficiaries is determined.

(b) So long as any of the decedent's beneficiaries exist, the death benefit authorized by section 503 of this title shall be paid: *Provided*, That upon death of any beneficiary, remarriage of the widow or widower, or attainment of the age of eighteen of any child, the beneficiary concerned shall become ineligible for any further payment.

(c) The death benefit authorized by this title shall be payable in monthly installments equal to the monthly rate of pay, basic pay, or retirement pay the decedent was receiving at the time of death or separation, as the case may be: *Provided*, That in the case of death under the conditions prescribed in parts (1) or (2) of subsection (a) of section 503 of this title or in subsection (b) of section 503 of this title, if there is urgent financial need on the part of the beneficiary concerned, the Administrator of Veterans' Affairs may, in his discretion, when application is made to him by the beneficiary concerned within one month following the death of the decedent, advance to such beneficiary, in a lump sum, an amount not to exceed six months' pay at the rate received by the decedent at the time of death: *Provided further*, That in no case shall any amount advanced pursuant to the foregoing proviso, plus any subsequent monthly payments, the total of which may be in excess of what would have been payable to the beneficiary concerned in monthly payments alone, be the basis of a claim by the Government against the beneficiary concerned or the estate of such beneficiary, nor shall such total exceed the total amount that all beneficiaries of the decedent would have been entitled to receive if such advance had not been made.

(d) If there is more than one beneficiary eligible for the death benefit provided by this title, the beneficiary or beneficiaries to whom such payments are to be made may be specially designated in a manner prescribed by the Secretary concerned. If no such designation has been made, or if such designation has become inapplicable, the beneficiaries shall be paid the death benefit in the following order of precedence: First, to the widow or widower; second, if the decedent left no widow or widower, or if such beneficiaries have become ineligible for such payments, then to the child or to the children in equal parts; third, if the decedent left no widow, widower, children, or if such beneficiaries have become ineligible for such payments, then to the father and mother in equal parts, or to the surviving parent.

EXEMPTION FROM TAXATION—SAFEGUARDS FOR BENEFICIARIES

Sec. 506. The provisions of the Act of August 12, 1935 (45 Stat. 607; 38 U. S. C. 450, 454a and 556a), as amended, and of titles II and III of the Act of June 29, 1936 (49 Stat. 2031; 38 U. S. C. 101-104, 131-133), as amended, insofar as such provisions are applicable, shall apply to the provisions of this title in the same manner as such provisions apply to any other benefit payable or paid by the Veterans' Administration.

TITLE VI—MISCELLANEOUS PROVISIONS

TRAINING DUTY WITH OR WITHOUT PAY OF RESERVE AND NATIONAL GUARD PERSONNEL

Sec. 601. (a) Under such regulations as the Secretary concerned may prescribe, and to the extent provided for by law and by appropriations, members of the National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, and the Reserve Corps of the Public Health Service, shall receive compensation at the rate of one-thirtieth of the basic pay authorized for such members of the uniformed services when entitled to basic pay, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than two hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary concerned: *Provided*, That for each of the several classes of organizations prescribed for the National Guard of the United States, the Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, and the Reserve Corps of the Public Health Service, the rules applicable to each of which services and classes within services may differ, the Secretary concerned—

(1) shall prescribe minimum standards which must be met before an assembly for drill or other equivalent period of training, instruction, or duty or appropriate duties may be credited for pay purposes, which minimum standards may require the presence for duty of officers and enlisted personnel equal to or in excess of a minimum number of percentage of unit strength for a specified period of time with participation in a prescribed character of training;

(2) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties, which may be counted for pay purposes in each fiscal year;

(3) shall prescribe the maximum number of assemblies, or periods of other equivalent training, instruction, or duty or appropriate duties which can be counted for pay purposes in lesser periods of time; and

(4) shall prescribe the minimum number of assemblies or periods of other equivalent training, instruction, or duty or appropriate duties, which must be completed in stated periods of time before the personnel of organizations or units can qualify for pay.

(b) Members of the National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, and the Reserve Corps of the Public Health Service, may be given additional training or other duty as provided for by law, without pay, as may be authorized by the Secretary concerned, with their consent, and when such authorized training or other duty without pay is performed they may, in the discretion of the Secretary concerned, be furnished with transportation to and from such duty, with subsistence en route, and, during the performance of such duty, be furnished with subsistence and quarters in kind or commutation thereof at a rate to be fixed from time to time by the Secretary concerned.

(c) In addition to pay provided in subsection (a) of this section, officers of the National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, and the Reserve Corps of the Public Health Service, commanding organizations having administrative functions connected therewith shall, whether or not such officers belong to such organizations, receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary concerned may prescribe; and for the purpose of determining how much shall be paid to such officer so performing such functions, the Secretary concerned may, from time to time, divide them into classes and fix the amount payable to the officers in each class: *Provided*, That such amounts provided in this section shall not affect payments made under section 304 of this Act.

(d) Under such regulations as the President may prescribe and to the extent provided for by appropriations, members of the National Guard of the United States, Organized Reserve Corps, Naval Reserve, Marine Corps Reserve, and the Reserve Corps of the Public Health Service entitled to compensation pursuant to subsection (a) of this section shall, when required by competent orders to perform any hazardous duty prescribed by or pursuant to section 204 of this Act for members of the uniformed services entitled to basic pay and when in consequence of such orders they do perform any hazardous duty so prescribed, receive an increase in compensation equal to one-thirtieth of the monthly special pay authorized by section 204 of this Act for the performance of such hazardous duty by members of the uniformed services of corresponding grades entitled to basic pay, such increase to be paid to such members, as long as theyare qualified to receive such increase, for each regular period of instruction, or period of appropriate duty, at which they shall have been engaged for not less than two hours, including those performed on Sundays and holidays, or for the performance of such other equivalent training, instruction, or duty or appropriate duties as may be prescribed by the Secretary concerned pursuant to subsection (a).

(e) The provision of subsections (a), (b), (c), and (d) of this section shall not apply when such members are entitled to receive basic pay as provided for in title II of this Act.

(f) (1) Section 4 of the Act of March 25, 1948 (Public Law 460, Eightieth Congress, 62 Stat. 87), is hereby amended by striking out the words "subsection (c), section 14, Pay Readjustment Act of 1942, as amended", appearing in the third proviso thereof and inserting in lieu thereof the words "subsection (a) of section 601 of The Career Compensation Act of 1949".

(2) Sections 4 and 5 of the Act of March 25, 1948 (Public Law 460, Eightieth Congress, 62 Stat. 87), are hereby amended by striking out the words "section 14 of the Pay Readjustment Act of 1942, as amended", whenever appearing therein, and inserting in lieu thereof the words "section 601 of The Career Compensation Act of 1949".

(3) Section 601 of this Act and Public Law 460, Eightieth Congress (62 Stat. 87), as amended and changed by this Act, shall be applicable to the Department of the Air Force: *Provided*, That all references in section 601 of this Act and Public Law 460, Eightieth Congress, as amended and changed by this Act, to the Secretary of the Army, the Department of the Army, the Regular Army, the National Guard and the United States, the Organized Reserve Corps, the Officers' Reserve Corps, the Enlisted Reserve Corps, and the Organized Reserves, shall be construed for the purpose of interpreting section 601 of this Act and Public Law 460, Eightieth Congress (62 Stat. 87), as amended and changed by this Act, as likewise referring to the Secretary of the Air Force, the Department of the Air Force, the Regular Air Force, the Air National Guard, the Air Force Reserve, the officers' section of the Air Force Reserve, the enlisted section of the Air Force Reserve, and personnel of the Organized Reserves transferred to the Department of the Air Force, respectively.

EXTENSION OF LAWS ADMINISTERED BY THE VETERANS' ADMINISTRATION

Sec. 602. Commissioned officers and former commissioned officers, Regular or Reserve, of the Coast and Geodetic Survey or of the Public Health Service, who hereafter serve on active duty or who have served on active duty subsequent to December 7, 1941, and their survivors shall be entitled to the same pensions, compensations, payments, hospitalization, medical care, or other benefits to which officers of the Army and their survivors may be entitled under all laws or parts of laws now existing or hereafter enacted which are administered by the Veterans' Administration: **Provided**, That such entitlement of such commissioned officers and former commissioned officers, and their survivors, shall be subject to the same conditions, requirements, and limitations as are provided in such laws or parts of laws and as are applicable to officers of the Army and their survivors.

CONSTRUCTION OF TERMS "BASE PAY" OR "BASE AND LONGEVITY PAY"

Sec. 603. Whenever the terms "base pay" or "base and longevity pay" are used in any provision of law not specifically or impliedly repealed by this Act, such terms shall be construed to mean "basic pay" as provided in section 201 of this Act: **Provided**, That if such terms are used in any provision of law specifically or impliedly repealed by this Act, but if such provisions of law are specifically saved by the provisions of this Act for persons receiving benefits under such provisions of law on the date of enactment of this Act, such terms shall continue to be construed as they were construed prior to the enactment of this Act.

PAYMENTS BASED ON PURPORTED MARRIAGES

Sec. 604. Payments of allowances which have been made under the Pay Readjustment Act of 1942, as amended, or which hereafter may be made under this Act based on a purported marriage and made prior to judicial annulment or termination of such marriage are valid: **Provided**, That it is adjudged or decreed by a court of competent jurisdiction that the marriage was entered into in good faith on the part of the spouse in the uniformed services or that, in the absence of such a judgment or decree, such finding of good faith is

made by the Secretary concerned or by such person as he may designate for the purpose.

CONTRACT SURGEONS

Sec. 605. Contract surgeons who are serving full time with any of the uniformed services shall be paid the minimum basic pay, the basic allowances, and such other allowances as are authorized by this Act to be paid to commissioned officers in pay grade 0-7. Contract surgeons who are serving part time with any of the uniformed services shall be entitled to receive the allowances for travel and transportation prescribed pursuant to this Act under the same conditions and in the same amount as are applicable to commissioned officers.

MIDSHIPMEN OF NAVAL RESERVE—ALLOWANCE FOR QUARTERS AND SUBSISTENCE

Sec. 606. Midshipmen of the Naval Reserve when not furnished quarters in kind shall be paid the same allowance for quarters as is payable to enlisted persons in pay grade E-1 without dependents, and when not furnished rations in kind shall be paid the same allowance for subsistence as is payable to aviation cadets.

ENLISTED PERSONS—CLOTHING ALLOWANCE

Sec. 607. The President may prescribe the quantity and kind of clothing which shall be furnished annually to enlisted men of the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve, and he may prescribe the amount of a cash allowance to be paid to such enlisted men in any case in which clothing is not so furnished to them.

ALLOWANCE—SHORE PATROL DUTY

Sec. 608. Officers, midshipmen, and cadets of the Navy, the Marine Corps, and the Coast Guard when absent from a vessel or designated post of duty while assigned to shore patrol duty may be paid their actual expenses.

TRAVEL ALLOWANCE—APPLICANTS FOR ENLISTMENT—INSANE PATIENTS

Sec. 609. Applicants for enlistment (including rejected applicants) in any of the uniformed services may be furnished or reimbursed for transportation and subsistence incident to recruitment of such personnel. Insane patients may, subsequent to their discharge or release from any of the uniformed services, be furnished transportation and subsistence from Government hospitals to other hospitals or their homes.

PAY AND ALLOWANCES—ENLISTED MEN—PHILIPPINE SCOUTS—INSULAR FORCE OF THE NAVY

Sec. 610. (a) The pay and allowances of whatever nature and kind to be authorized for the enlisted men of the Philippine Scouts shall be fixed by the Secretary of the Army and shall not exceed or be of other classes than those now or which may hereafter be authorized by law for enlisted men of the Regular Army.

(b) The rates of pay of enlisted men of the insular force of the Navy shall be one-half the rates of pay prescribed for enlisted men of the Navy in corresponding grades.

PAY AND ALLOWANCES—CADETS AND MIDSHIPMEN

Sec. 611. Cadets at the United States Military Academy, midshipmen at the United States Naval Academy, and cadets at the Coast Guard Academy shall be entitled to pay at the rate of $935 per annum, and to allowances as now or hereafter provided by law for midshipmen in the Navy, and to transportation, including reimbursement of traveling expenses, while traveling under orders as a cadet or midshipman.

DUTY ALLOWANCE—MILITARY AIR TRANSPORT SERVICE

Sec. 612. A member of the uniformed services entitled to basic pay on duty with or under training for the Military Air Transport Service and away from his permanent station may be paid his actual expenses, or per diem in lieu thereof, in such amounts as do not exceed the amounts to which he would be entitled if performing temporary duty travel.

ASSIMILATION TO PAY AND ALLOWANCES OF COMMISSIONED OFFICERS

Sec. 613. The provisions of titles II and III of this Act shall apply equally to those persons who are not serving as commissioned officers in any of the uniformed services, but whose pay or allowances, or both, under existing law are assimilated to the pay and allowances of a commissioned officer of any grade or rank of any of the uniformed services.

DAILY RATE OF PAY AND ALLOWANCES

Sec. 614. Members of the uniformed services who shall become entitled to any pay and allowances authorized by this Act for a continuous period of less than one month shall receive such pay and allowances for each day of such period at the rate of one-thirtieth of the monthly amount of such pay and allowances, and the thirty-first day of a calendar month shall not be excluded from the computation.

TERMINATION OF WAR-SERVICEMEN'S DEPENDENTS ALLOWANCE ACT OF 1942

Sec. 615. On the date of approval of this Act, the present war shall be considered as terminated for purposes of the Servicemen's Dependents Allowance Act of 1942, as amended: **Provided,** That, notwithstanding the foregoing, the provisions of the Servicemen's Dependents Allowance Act of 1942, as amended, shall remain in effect for the dependent or dependents of an enlisted person until the expiration of the enlistment or reenlistment period for which he has contracted prior to the date of enactment of this Act, or of an enlisted person inducted into any of the uniformed services prior to the date of enactment of this Act, until the expiration of his compulsory period of active service.

MEMBERS OR FORMER MEMBERS NOW ON RETIRED LISTS

Sec. 616. Any member or former member of the uniformed services heretofore retired or granted retirement pay and now receiving retired or retirement pay may elect, under such regulations as the Secretary concerned shall prescribe, to qualify for retirement pay under the provisions of this Act, and, if found qualified, shall be entitled to receive the benefits prescribed in this Act: *Provided,* That former members found qualified shall be deemed to be members of the uniformed services for the purpose of construing title V of this Act.

TEMPORARY PROVISION FOR VOLUNTARY RETIREMENT OF OFFICERS

Sec. 617. Any officer who, on the date of enactment of this Act, has completed at least twenty but less than thirty years of active Federal service shall, until that date which is the fifth anniversary of the date of enactment of this Act, have the right to submit to the Secretary concerned a request for retirement, which, if approved by such Secretary, shall entitle such officer to be retired and to receive retirement pay computed by the application of the retirement pay formula as prescribed in section 412 of this Act: *Provided,* That such request for retirement, if disapproved by the Secretary concerned, shall entitle such member, without regard to the time limitation prescribed in this section, to thereafter submit further requests for retimement to the Secreary concerned, the approval of any of which shall entitle such member to be retired and to receive the retirement pay prescribed in this section.

TEMPORARY PROVISION FOR INVOLUNTARY RETIREMENT OF OFFICERS

Sec. 618. Any officer who, on the date of enactment of this Act, is a member of the uniformed services may, notwith-

standing any other provisions of this Act, on the date upon which any provision of law requires him to be involuntarily retired or separated from his service for reasons other than inefficiency, physical disability, moral unfitness, disciplinary action, or misconduct, if on such retirement or separation date he is serving on active duty, has completed at least the last ten years on continuous active duty, and has completed twenty or more but less than twenty-five years of active Federal service, elect to be retired and receive retired pay under the provisions of law in effect on the day preceding the date of enactment of this Act.

TEMPORARY PROVISION FOR RETIREMENT OF CERTAIN WARRANT OFFICERS

Sec. 619. Any warrant officer who, on the date of enactment of this Act, is a member of the uniformed services and has vacated a commissioned officer rank or grade at his own request prior to the date of enactment of this Act may, if serving on active duty on the date of retirement, elect to be retired and to receive retired pay or retirement pay in the amount and in the rank or grade as provided by any law in effect on the day preceding the date of enactment of this Act.

TEMPORARY PROVISION FOR VOLUNTARY RETIREMENT OF ENLISTED PERSONS

Sec. 620. Any enlisted person who, on the date of enactment of this Act, is a member of the uniformed services may, notwithstanding any other provision of this Act, if he qualifies for retirement or transfer to the Fleet Reserve or the Fleet Marine Corps Reserve under any provision of law in effect on the day preceding the date of enactment of this Act, upon application, be retired or transferred to the Fleet Reserve or the Fleet Marine Corps Reserve and be subsequently retired or advanced on the retired list, as the case may be, and receive retired pay, retirement pay, or retainer pay under the provisions of law in effect on the day preceding the date of enactment of this Act.

TEMPORARY PROVISION FOR RETIREMENT OF ENLISTED PERSONS

Sec. 621. Any enlisted person of the uniformed services who, on the date of enactment of this Act, has completed at least twenty years of active Federal service, or who, prior to the expiration date of the enlistment contract in effect on such date of enactment, will complete twenty years of active Federal service, shall, after the completion of the twenty years of active Federal service, upon making application therefor, be retired with service retirement pay computed by the application of the retirement pay formula prescribed in section 412 of this Act.

TEMPORARY PROVISION TO RETAIN RETIREMENT RIGHTS FOR CERTAIN ENLISTED PERSONS

Sec. 622. Any enlisted person who, on the date of enactment of this Act, is a member of the uniformed services and has vacated an officer rank or grade at his own request prior to the date of enactment of this Act may, at any time after he has completed twenty or more years of active Federal service as provided in this Act, elect to be retired or to be transferred to the Fleet Reserve or the Fleet Marine Corps Reserve and to be subsequently retired or advanced on the retired list, as the case may be, and receive retired pay, retirement pay, or retainer pay in the amount and in the rank or grade as provided by any law in effect on the day preceding the date of enactment of this Act.

SPECIAL PROVISIONS RELATING TO RETIREMENT OF CERTAIN ENLISTED PERSONS

Sec. 623. Any enlisted person who is on the retired list of the Regular Army or Regular Air Force, having been placed thereon after transfer, on or before the date of enactment of this Act, to the Enlisted Reserve Corps or the enlisted section of the Air Force Reserve, respectively, pursuant to secton 4 of the Act of October 6, 1945 (59 Stat. 539; 10 U. S. C. 948), as amended, or any enlisted person who is a member of the Fleet Reserve or Fleet Marine Corps Reserve on the date of enactment of this Act, having transferred thereto with sixteen or more years' service, pursuant to title II of the Naval Reserve Act of 1938, as amended, may elect (1) to continue to receive and to qualify for the retired pay, retirement pay, or retainer pay to which he would have been entitled but for enactment of this Act; or (2) to qualify for retirement pay, severance pay, or any other monetary benefit authorized by this Act: *Provided*, That such election shall not become final until such enlisted person qualifies for such retirement pay, severance pay, or other monetary benefit and has received payment of such pay or other monetary benefit.

SPECIAL PROVISION RELATING TO FLEET RESERVE

Sec. 624. Notwithstanding any other provision of law, enlisted persons of the Regular Navy or Regular Marine Corps, other than those enlisted persons who exercise the election provided in section 620 or section 622 of this Act, who are hereafter transferred to the Fleet Reserve or Fleet Marine Corps Reserve under the provisions of title II of the Naval Reserve Act of 1938, as amended, shall not, while a member of the Fleet Reserve or Fleet Marine Corps Reserve, be entitled to receive any pay, or permanent additions thereto, provided in title II of the Naval Reserve Act of 1938, as amended: *Provided*, That such persons so transferred who, while members of the Fleet Reserve or Fleet Marine Corps Reserve, perform active duty or active duty for training, shall be entitled to receive any pay or allowances provided by any law for the performance of such duty.

SPECIAL PROVISION RELATING TO ENLISTED RESERVE CORPS

Sec. 625. Notwithstanding any other provision of law, enlisted persons of the Regular Army or Regular Air Force, other than those enlisted persons who exercise the election provided in section 620 or section 622 of this Act, who are hereafter transferred to the Enlisted Reserve Corps or to the enlisted section of the Air Force Reserve and placed on the retired list of the Regular Army or Regular Air Force, respectively, under the provisions of section 4 of the Act of October 6, 1945 (59 Stat. 539; 10 U. S. C. 948), as amended, shall not, while on such retired list, be entitled to receive any pay or permanent additons thereto provided in such section, as amended, *Provided*, That such persons so transferred and placed on such retired list who, while on such retired list, perform active duty or participate in full-time training or other full-time duty, shall be entitled to receive any pay or allowances provided by law for the performance of such duty.

TEMPORARY PROVISION RELATING TO LIMITATIONS ON RETIRED PAY

Sec. 626. The retired pay, retirement pay, or retainer pay that any member of the uniformed services is entitled to receive pursuant to section 618, 619, 620, or 622 of this Act shall be decreased by the amount and on the date that such pay exceeds the amount of retired pay, retirement pay, or retained pay which such member would be entitled to receive if the monthly basic pay as provided by this Act or as may hereafter be provided by law were substituted for the base and longevity pay used in the computation of such pay pursuant to the provisions of law in effect on the day preceding the date of enactment of this Act.

RETIRED MEMBERS AND FORMER MEMBERS SERVING ON ACTIVE DUTY

Sec. 627. Retired members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall, when serving on active duty, receive the pay and allowances to which entitled by the provisions of this Act for the grade or rank in which

they are serving on such active duty, and shall, when on such active-duty status, have the same pay and allowance rights while on leave of absence or while sick as members of the uniformed services entitled to basic pay of similar grade or rank, and, if death occurs when on active-duty status, while on leave of absence, or while sick, their beneficiaries shall not thereby be deprived of any of the benefits provided in this Act.

SAVING PROVISION TO RETAIN PRESENT COMPENSATION

Sec. 628. No member of the uniformed services serving on active duty on the date of enactment of this Act shall suffer any reduction, by reason of this Act, in the total compensation which he is entitled to receive from any of the uniformed services on the date of enactment of this Act, including, for an enlisted person, the Government's contribution to the monthly family allowance which the dependent or dependents of such enlisted person are entitled to receive from the uniformed service concerned pursuant to the Servicemen's Dependents Allowance Act of 1942, as amended: *Provided*, That travel and transportation allowances, per diem and station allowances, and pay of court stenographers of the Army and the Air Force shall not be included in the total compensation which is saved herein: *Provided further*, That any part of the total compensation to which such member subsequently ceases to be entitled because of failure to qualify therefor under provisions of law in effect on the date of enactment of this Act shall not thereafter be saved to such member by virtue of this section. Such total compensation shall continue to be saved until whichever one of the following dates is the earliest: (1) That date which is three years after the date of enactment of this Act, (2) the date on which such member ceases to be entitled to basic pay, (3) the date of the termination of an enlistment of such member in force on the date of enactment of this Act, or (4) the date upon which the sum of the basic pay, basic allowances, special pays, and personal money allowance, including the Government's contribution to the dependent or dependents of an enlisted person which such member is entitled to receive under the provisions of this Act exceeds such total compensation such member is entitled to receive on that date under the provisions of law in effect on the date of enactment of this Act.

PROVISIONS RELATING TO INCREASE OF RETIRED PAY BY ACTIVE DUTY

Sec. 629. Members and former members of the uniformed services, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, who have been, or may hereafter be, retired or transferred to the Fleet Reserve or Fleet Marine Corps Reserve and entitled to receive retired pay, retirement pay, retainer pay, or equivalent pay computed under the provisions of this or any other Act, shall be entitled, subject to the provisions hereinafter listed, to receive increases in such retired pay, retirement pay, retainer pay, or equivalent pay for all active duty performed after retirement or transfer to the Fleet Reserve or the Fleet Marine Corps Reserve: *Provided*, That the retired pay, retirement pay, retainer pay, or equivalent pay to which such member or former member shall be entitled upon his relase from active duty shall be computed by multiplying the years of service creditable to him for purposes of computing retired pay, retirement pay, retainer pay, or equivalent pay at the time of his retirement or transfer plus his years of subsequent active Federal service by 2½ per centum, and by multiplying the product thus obtained by the base and longevity pay or the basic pay, as the case may be, of the rank or grade in which he would be eligible, at the time of his release from active duty, to be retired or transferred except for the fact that he is already a retired person or a member of the Fleet Reserve or Fleet Marine Corps Reserve:*Provided further*, That in the case of an officer heretofore retired with pay computed at a rate of either 3 or 4 per centume as the multiplier for each year of service allowed in the computation of the retired pay, active Federal service performed subsequent to the enactment date of this Act shall not increase the retired or retirement pay for such officer upon his return to retired status unless such officer shall elect to receive retirement pay as provided in this Act, subject to the limitations imposed herein: *And provided further*, That in no event shall retired pay, retirement pay, retainer pay, or equivalent pay exceed 75 per centum of the active-duty pay or basic pay which such person would be entitled to receive if he were serving on active duty in the rank or grade which is the basis for the computation of his retired pay, retirement pay, retainer pay, or equivalent pay.

SAVING PROVISION RELATING TO MEMBERS OF THE MARINE BAND

Sec. 630. Members of the band of the United States Marine Corps serving under appointments authorized by law in effect on the date of enactment of this Act who may be appointed to appropriate grades or ranks in consequence of the repeal of such law by this Act shall not suffer by reason of such appointment any reduction in the pay or allowances to which they would have been entitled either in their current enlistment or during any subsequent enlistment or after transfer to the retired list. No former member of the band of the United States Marine Corps who has been heretofore retired or heretofore transferred to the Fleet Reserve shall suffer any reduction in retirement or retainer pay to which he would otherwise have been entitled but for enactment of this Act.

SAVING PROVISION RELATING TO MEMBERS AND FORMER MEMBERS RECEIVING RETIREMENT PAY ON DATE OF ENACTMENT OF THIS ACT

Sec. 631. Any member or former member of the uniformed services or any person entitled to the rights, benefits, and privileges of a member or former member of the uniformed services, including any person entitled to the benefits provided in the Act of May 7, 1948 (62 Stat. 211), who, on the date of enactment of this Act, is receiving retired or retirement pay pursuant to any provision of law, shall, notwithstanding the provisions of this Act, be entitled to continue to receive that retired or retirement pay which such member or former member is entitled to receive under any provision of law in effect on the date of enactment of this Act.

SAVING PROVISION RELATING TO LAWS PROVIDING FOR PAY REPEALED BY THIS ACT

Sec. 632. Any provision of law which, on the date of enactment of this Act, entitles any person to be retired, to receive pay, retired pay, retirement pay, or retainer pay, or other monetary benefit, and which is directly repealed, impliedly repealed, or amended by the provisions of this Act, shall, if the entitlement of such person to such retirement, pay, retired pay, retirement pay, retainer pay, or other monetary benefit is saved by the provisions of this Act, to be continued in full force and effect for such entitlement and for such a time as such entitlement may exist.

SAVING PROVISION RELATING TO DEATH GRATUITY

Sec. 633. The repeal of laws, relating to payment of a death gratuity, by this Act shall not preclude the payment, in the same manner as if the law applicable thereto had not been repealed, of any such gratuity not yet paid on account of any death occurring prior to enactment of this Act.

AMENDMENTS OF ARMY-NAVY NURSES ACT OF 1947

Sec. 634. (a) Section 108 (a) of the Army-Navy Nurses Act of 1947, as amended, is amended to read as follows:

"Sec. 108. (a) An officer on the active list of either the Army Nurse Corps or the Women's Medical Specialist Corps, Regular Army, may, if not sooner retired or separated under some other provision of law, at the discretion of the Secretary of the Army, at any time after such an officer shall have attained the age of sixty years, be retired or separated

and be entitled to receive service retirement pay or severance pay as provided by any provision of law."

(b) Section 207 (a) of the Army-Navy Nurses Act of 1947, as amended, is amended by deleting the words "fifty" and "fifty-five" and substituting therefor the word "sixty".

AMENDMENT OF WOMEN'S ARMED SERVICES INTEGRATION ACT OF 1948

Sec. 635. Subsections (b) and (c) of section 207 of the Women's Armed Services Integration Act of 1948 is amended by deleting the words "fifty" and "fifty-five" and substituting therefor the word "sixty".

PROVISIONS OF THE PUBLIC HEALTH SERVICE ACT AMENDED AND REPEALED

Sec. 636. The following sections, subsections, and other provisions of the Act of July 1, 1944 (ch. 373, 58 Stat. 682), as amended, are amended or repealed as hereinafter in this section indicated:

(a) Wherever the words "pay and pay period" appear in subsection (d) of section 207, such words shall be deleted and the words "basic pay" shall be substituted in lieu thereof.

(b) Subsections (b) and (d) of section 208 are repealed. Subsections (c), (e), (f), (g), and (h) of said section are redesignated as subsections (b), (c), (d), (e), and (f), respectively. Subsection (a) and the subsection herein redesignated as subsection (e) of said section are amended as follows:

"(a) Commisioned officers of the Regular and Reserve Corps shall receive such pay and allowances as are now or may hereafter be authorized by law."

"(e) Whenever any noncommissioned officer or other employee of the Service is assigned for duty which the Surgeon General finds requires intimate contact with persons afflicted with leprosy, he may receive, as provided by regulations of the President, in addition to any pay or compensation to which he may otherwise be entitled, not more than one-half of such pay or compensation."

(c) Subsections (g) and (i) of section 210 are amended as follows:

"(g) If, for reasons other than physical disability, an officer of the Regular Corps in the junior assistant grade is found, pursuant to subsection (c) of this section, not to be qualified for promotion, he shall be separated from the Service and be paid such severance pay as he may be entitled under other provisions of law. If, for reasons other than physical disability, an officer of the Regular Corps in the assistant, senior assistant, or full grade, after having been twice examined for promotion (other than promotion to a restricted grade), fails to be promoted—

"(1) if in the assistant or senior assistant grade he shall be either retired or separated from the Service depending upon eligibility for retirement or separation under other provisions of law and be paid such retirement pay or such severance pay to which he may be entitled under such other provisions of law;

"(2) if in the full grade, he shall be considered as not in line for promotion and shall, at such time thereafter as the Surgeon General may determine, be either retired or separated from the Service depending upon his eligibility for retirement or separation under other provisions of law and be paid such retirement pay or such severance pay to which he may be entitled under such other provisions of law."

"(i) At the end of his first three years of service, the record of each officer of the Regular Corps originally appointed to the senior assistant grade or above, shall be reviewed in accordance with regulations of the President and, if found not qualified for further service, he shall be either retired or separated from the Service depending upon his eligibility for retirement or separation under other provisions of law and be paid such retirement pay or such severance pay to which he may be entitled under such other provisions of law."

(d) Section 211 is amended as follows:

"Sec. 211. (a) A commissioned officer shall, on the first day of the month following the month in which he attains the age of sixty-four years, be either retired or separated from the Service depending upon his eligibility for retirement or separation under other provisions of law and be paid such retirement pay or such severance pay to which he may be entitled under such other provisions of law.

"(b) A commisioned officer who has completed twenty or more years of active Federal service and has reached the age of sixty years and a commissioned officer who has completed thirty or more years of active Federal service and who has not reached the age of sixty years shall, in accordance with regulations of the Administrator, be either retired or separated by the Administrator, depending upon his eligibility for retirement or separation under other provisions of law, at such time thereafter as the Administrator may determine, and be paid such retirement pay or such severance pay to which he may be entitled under such other provisions of law.

"(c) An officer of the Regular Corps in the senior assistant grade in a category in which the full grade is a restricted grade, who has completed twenty or more years of active Federal service or has reached the age of sixty years, or an officer of the Regular Corps in the full grade in a category in which the senior grade is a restricted grade, who has completed twenty-five or more years of active Federal service or has reached the age of sixty years, shall, in accordance with regulations of the Administrator, be either retired or separated by the Administrator, depending upon his eligibility for retirement or separation under other provisions of law, at such time thereafter as the Administrator may determine, and be paid such retirement pay or such severance pay to which he may be entitled under such other provisions of law: *Provided*, That such officer shall not be so retired or separated if, at the time orders for such retirement are to be issued, he has been found, pursuant to section 210(c), to be qualified for promotion to the full grade or the senior grade as the case may be.

"(d) In time of war, a commissioned officer who has been retired under any provision of law may, in accordance with regulations of the President, be recalled to active duty."

(e) Subsection (d) of section 214 is amended by deleting therefrom the words "longevity pay" and substituting in lieu thereof the words "the computation of basic pay."

(f) Subsection (b) of section 215 is amended by deleting therefrom the words "travel, transportation of household goods and effects, and".

(g) Section 706 is repealed.

AMENDMENT OF THE SERVICEMEN'S DEPENDENTS ALLOWANCE ACT OF 1942

Sec. 637. Section 108 (b) of the Servicemen's Dependents Allowance Act of 1942, as amended, is hereby amended by (1) striking out the words "section 10 of the Pay Readjustment Act of 1942" appearing in the first sentence thereof and inserting in lieu thereof the words "section 303 of The Career Compensation Act of 1949", and by (2) striking out the words "of the first, second, or third grades" and the words "of the first, second, or third grade" wherever appearing therein.

AMENDMENT OF THE ACT OF MARCH 7, 1942 (56 STAT. 140)

Sec. 638. The Act of March 7, 1942 (56 Stat. 140; 10 U. S. C. 919), is amended by inserting a period after the words "a sum not exceeding $10" and deleting the rest of said Act.

AMENDMENTS OF THE ACT OF JUNE 3, 1916 (39 STAT. 190; 41 STAT. 776)

Sec. 639. (a) Section 30 of the Act of June 3, 1916 (39 Stat.

187; 10 U. S. C. 658), as amended, is amended by deleting therefrom the third, the seventh, and the ninth sentences of the first paragraph.

(b) Section 37a of the Act of June 3, 1916, as added by section 32 of the Act of June 4, 1920 (41 Stat. 776; 10 U. S. C. 361), is amended by inserting a period after the words "and length of active service" and deleting the rest of said section.

(c) Section 38 of the Act of June 3, 1916 (39 Stat. 190; 32 U. S. C. 142a), as amended, is amended by deleting the following words therefrom: "and mileage from his home to his first station and from his last station to his home".

AMENDMENT OF THE ACT OF SEPTEMBER 24, 1945 (59 STAT. 536)

Sec. 640. Section 1 of the Act of September 24, 1945 (59 Stat. 536; 34 U. S. C. 900a), is amended by deleting the last sentence thereof.

AMENDMENT OF THE ACT OF FEBRUARY 18, 1946 (60 STAT. 20)

Sec. 641. That part of title III of the Act of February 18, 1946 (60 Stat. 20, 37 U. S. C. 112c), which authorizes transportation of dependents and household effects of civilian and naval personnel of the Naval Establishment stationed outside continental United States is amended by deleting therefrom all reference to Naval personnel.

AMENDMENTS OF THE ACT OF JUNE 5, 1942 (56 STAT. 315)

Sec. 642. (a) Subsection (e) of section 4 of the Act of June 5, 1942 (56 Stat. 315; 50 App. U. S. C. 764 (e)), as amended, is amended by deleting therefrom the reference to section 4 (a), 4 (b), and 4 (c).

(b) Section 5 of the Act of June 5, 1942 (56 Stat. 316; 50 App. U. S. C. 765), is amended by deleting therefrom all reference to military personnel.

AMENDMENT OF THE ACT OF MAY 27, 1908 (35 STAT. 418)

Sec. 643. Paragraph 23, heading "Office of the Fourth Assistant Postmaster General", of the Act of May 27, 1908 (35 Stat. 418; 39 U. S. C. 134), as amended, is amended by deleting the last sentence thereof.

AMENDMENT OF SECTION 4 OF THE NAVAL AVIATION CADET ACT OF 1942 (56 STAT. 737)

Sec. 644. Section 4 of the Naval Aviation Cadet Act of 1942 (56 Stat. 737; 34 U. S. C. 850c), is hereby amended to read as follows:

"Sec. 4. Aviation cadets, while on active duty, shall be paid at the rate of $105 per month, which pay shall include extra pay for flying. They shall receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Navy, and shall, while on active duty, be furnished quarters, medical care and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Navy."

AMENDMENT OF SECTION 4 OF THE ARMY AVIATION CADET ACT (55 STAT. 240)

Sec. 645. The first five sentences of section 4 of the Army Aviation Cadet Act (55 Stat. 240; 10 U. S. C. 303, 304, 304b), as amended, are hereby further amended as follows:

"Aviation cadets, while on active duty, shall be paid at the rate of $105 per month, which pay shall include extra pay for flying. They shall receive, in addition, the same allowance for subsistence as is now or may hereafter be authorized for officers of the Army, and shall, while on active duty, be furnished quarters, medical care, and hospitalization, and shall be issued uniforms, clothing, and equipment at Government expense. When traveling under orders, aviation cadets shall receive transportation and other necessary expenses incident to such travel, or cash in lieu thereof, on the same basis and at the same rates as are now or may hereafter be prescribed for enlisted personnel of the Army."

AMENDMENT OF THE ACT OF JUNE 30, 1941 (55 STAT. 394)

Sec. 646. Section 2 of the Act of June 30, 1941, as amended (55 Stat. 394; 10 U. S. C. 939), is hereby amended by striking out the words "of the Regular Army or" and the words "the Regular Army and" wherever appearing therein.

AMENDMENTS TO THE NATIONAL DEFENSE ACT

Sec. 647. (a) Section 1 of the National Defense Act, as amended (10 U. S. C. 2), is hereby amended to read as follows:

"Sec. 1. THE ARMY OF THE UNITED STATES.—The Army of the United States shall consist of the Regular Army, the National Guard of the United States, and the Organized Reserve Corps, and shall also include all persons inducted, appointed, or enlisted in the Army of the United States or any component thereof and all persons and units serving therein under call or conscription uder any provision of law, including members and units of the National Guard while in the service of the United States pursuant to Presidential call."

(b) Section 71 of the National Defense Act, as amended (32 U. S. C. 4b), is hereby amended by striking out the period at the end of the section, inserting a comma in lieu thereof, and adding the following: "and, in addition thereto, shall include any officer of the National Guard of any State, Territory, or of the District of Columbia who has been temporarily extended Federal recognition by the Secretary of the Army under such regulations as he may prescribe, and who shall have successfully passed the examination prescribed in section 75 of the National Defense Act, as amended pending final determination of his eligibility for, and his appointment as, an officer of the National Guard of the United States in the grade concerned, and if and when so appointed the appointment shall be dated and shall be deemed to have been effective from the date of such recognition, however, such temporary extension of Federal recognition shall be granted only when such officer takes oath that during such recognition he will perform all Federal duties and obligations required of him the same as though he were appointed as an officer of the National Guard of the United States in such grade, and such temporary recognition may be withdrawn at any time and if not sooner withdrawn or replaced by permanent recognition as an officer of the National Guard of the United States in such grade it shall automatically terminate six months after its effective date."

(c) The foregoing amendments in subsections (a) and (b) of this section shall apply to the Department of the Air Force and to the Regular and Reserve components of the Air Force in the same manner that it would so apply had it been enacted prior to the enactment of the National Security Act of 1947 (Public Law 253, Eightieth Congress, approved July 26, 1947).

ACTS AND PARTS OF ACTS REPEALED

Sec. 648. (a) All acts or parts of acts inconsistent with the provisions of this Act are hereby repealed, and the provisions of this Act shall be in effect in lieu thereof, and such repeal shall include, but shall not be limited to, the following Acts or parts of Acts:

The Act of July 9, 1918, subchapter IX (40 Stat. 882; 10 U. S. C. 276), as amended.

Section 51 of the Act of June 4, 1920 (41 Stat. 785; 10 U. S. C. 301).

Section 5 of the Act of March 3, 1925 (43 Stat. 1190; 10 U. S. C. 306; 34 U. S. C. 893), as amended.

Section 1 of the Act of August 21, 1941 (55 Stat. 651; 10 U. S. C. 593a).

That part of paragraph 14, heading "Miscellaneous", of the Act of August 24, 1912 (37 Stat. 575; 10 U. S. C. 644), which authorizes additional pay for enlisted men of the Army detailed to serve as stenographic reporters.

That part of the Act of August 25, 1937 (50 Stat. 805; 10 U. S. C. 644, 699), which authorizes additional pay for enlisted men of the Army detailed to serve as stenographic reporters.

Section 1261 of the Revised Statutes.

Paragraph 4, heading "Medals of Honor, Distinguished Service Crosses, and Distinguished Service Medals", of the Act of July 9, 1918 (40 Stat. 871; 10 U. S. C. 696).

That part of paragraph 21, heading "Miscellaneous", of the Act of June 12, 1906 (34 Stat. 247; 10 U. S. C. 743), which authorizes mileage on change of station of an officer while on leave of absence.

Section 1 of the Act of March 3, 1883 (22 Stat. 456; 10 U. S. C. 747), as amended.

That part of paragraph 21, heading "Miscellaneous", of the Act of June 12, 1906 (34 Stat. 247; 10 U. S. C. 748), which authorizes allowances for sea travel.

Section 1 of the Act of March 4, 1915 (38 Stat. 1063; 10 U. S. C. 750a).

Section 6 of the Act of October 6, 1945 (59 Stat. 539; 10 U. S. C. 751a; 34 U. S. C. 895a).

Section 126 of the Act of June 3, 1916 (39 Stat. 217; 10 U. S. C. 752; 14 U. S. C. 138; 34 U. S. C. 895), as amended.

The Act of September 29, 1919 (41 Stat. 288; 10 U. S. C. 753).

The Act of July 9, 1918 (40 Stat. 860; 10 U. S. C. 754).

The Act of June 5, 1920 (41 Stat. 975; 10 U. S. C. 758, 34 U. S. C. 894a).

The Act of August 6, 1894 (28 Stat. 237; 10 U. S. C. 759).

The Act of March 21, 1947 (61 Stat. 23; 10 U. S. C. 760).

That part of paragraph 3, heading "Pay of enlisted men", of the Act of May 11, 1908 (35 Stat. 108; 10 U. S. C. 803), which authorizes additional pay to an officer of the Army below the grade of major required to be mounted who provides himself with suitable mounts at his own expense.

The Act of March 23, 1910 (36 Stat. 255; 10 U. S. C. 821).

Section 1 of the Act of August 29, 1916 (39 Stat. 633; 10 U. S. C. 823).

Section 9 of the Act of June 4, 1920 (41 Stat. 766; 10 U. S. C. 870).

Section 13 of the Act of July 2, 1926 (44 Stat. 789; 10 U. S. C. 1430; 34 U. S. C. 364b).

The Act of June 30, 1944 (58 Stat. 648; 10 U. S. C. 1430a), as amended.

The Act of July 6, 1945 (59 Stat. 462; 10 U. S. C. 1430b), as amended.

Section 4 of the Act of February 4, 1919 (40 Stat. 1056; 34 U. S. C. 357), as amended.

That part of paragraph 2, heading "Pay of the Navy", of the Act of May 13, 1908 (35 Stat. 128; 34 U. S. C. 867), which provides additional pay for aides to rear admirals of the Navy.

The Act of April 9, 1928 (45 Stat. 412; 34 U. S. C. 886), as amended.

Section 14 of the Act of August 2, 1946 (60 Stat. 854; 34 U. S. C. 889).

Section 1 of the Act of August 5, 1882 (22 Stat. 286; 34 U. S. C. 892).

Section 1 of the Act of October 29, 1942 (56 Stat. 1011; 34 U. S. C. 899).

Section 1612 of the Revised Statutes.

Section 1613 of the Revised Statutes.

That part of paragraph 3, heading "Marine Corps" of the Act of March 2, 1907 (34 Stat. 1200; 34 U. S. C. 973), which provides additional pay for privates of the Marine Corps regularly detailed and serving as cooks.

That part of paragraph 6, heading "Marine Corps", of the Act of March 3, 1909 (35 Stat. 774; 34 U. S. C. 977), which provides for settlement of traveling-expense claims.

The Act of June 16, 1942 (56 Stat. 359), as amended.

The Act of June 13, 1935 (49 Stat. 339; 37 U. S. C. 3a).

Section 51 of the Act of June 4, 1920 (41 Stat. 785; 37 U. S. C. 4b).

Section 2 of the Act of August 18, 1941 (55 Stat. 629; 37 U. S. C. 16a), as amended.

Section 1 of the Act of May 4, 1942 (56 Stat. 266; 37 U. S. C. 18a).

Section 10 of the Act of June 16, 1933 (48 Stat. 307; 37 U. S. C. 29a).

Section 5 of the Act of June 29, 1946 (60 Stat. 345; 37 U. S. C. 101a).

Section 1 of the Act of March 6, 1946 (60 Stat. 32; 37 U. S. C. 103b), as amended.

Section 1 of the Act of July 16, 1946 (60 Stat. 545; 37 U. S. C. 112a).

Section 101 of the Act of July 8, 1946 (60 Stat. 488; 37 U. S. C. 112b).

The Act of April 27, 1946 (60 Stat. 126, 127; 37 U. S. C. 112d-112i).

Section 1 of the Act of June 27, 1944 (58 State. 392; 37 U. S. C. 117b).

The Act of April 10, 1943 (57 Stat. 62; 37 U. S. C. 118b).

Subsections (a), (b), (c), and (d) of section 4 of the Act of June 5, 1942 (56 Stat. 315; 50 App. U. S. C. 764 (a), (b), (c), and (d), as amended.

The Act of October 14, 1942 (56 Stat. 786; 50 App. U. S. C. 831, 832, and 833), as amended.

The Act of November 28, 1943 (57 Stat. 593; 50 App. U. S. C. 833 a, b, c, d, e, and f), as amended.

The Act of June 3, 1948 (62 Stat. 334).

So much of section 1 of the Act of August 30, 1935 (49 Stat. 1028; 10 U. S. C. 456), as amended, as relates to payment of a death gratuity to dependents of members of the Army of the United States.

Sections 1 and 2 of the Act of December 17, 1919 (41 Stat. 367; 10 U. S. C. 903), as amended.

The Act of March 10, 1928 (45 Stat. 249; 10 U. S. C. 903a).

Section 1 of the Act of March 17, 1941 (55 Stat. 43; 34 U. S. C. 855c-2), as amended.

Paragraph 2, heading "Bureau of Supplies and Accounts", of the Act of June 4, 1920 (41 Stat. 824; 34 U. S. C. 943), as amended.

The Act of May 12, 1930 (46 Stat. 268; 34 U. S. C. 944).

Section 9 of the Act of January 19, 1942 (56 Stat. 8; 33 U. S. C. 870), as amended, is hereby further amended by striking out therefrom the words "and the provisions of the Act of June 4, 1920 (41 Stat. 824), as amended by the Act of May 22, 1928 (45 Stat. 710), relating to the payment of a death gratuity to dependents of commissioned officers and other personnel of the Navy and Marine Corps, or as hereafter amended".

Section 1443, Revised Statutes (34 U. S. C. 381).

That part of paragraph 2, heading "Pay of the Navy", of the Act of May 13, 1908 (35 Stat. 128; 34 U. S. C. 383), which provides for retirement and retired pay of naval officers with thirty years service.

Section 6 of the Act of February 21, 1946 (60 Stat. 27; 34 U. S. C. 410b).

That part of section 1 of the Act of June 30, 1882 (22 Stat. 118; 10 U. S. C. 942), which provides that an officer who has served forty years as an officer or soldier in the Regular or Voluntary service shall be retired upon application.

Section 1243, Revised Statutes (10 U. S. C. 943).

That part of section 5 of the Act of July 31, 1935 (49 Stat. 507; 10 U. S. C. 943a, 971b), as amended, ending with the

colon following the first proviso thereof, which authorizes voluntary retirement, subject to the approval of the Secretary of the Army or Secretary of the Air Force, as the case may be, of officers on the active list of the Regular Army or the Regular Air Force, or officers of the reserve components of the Army of the United States or the Air Force of the United States.

The Act of March 2, 1907 (34 Stat. 1217; 34 U. S. C. 431; 10 U. S. C. 947, 980).

Section 11 of the Act of March 4, 1925 (43 Stat. 1274; 34 U. S. C. 701), as amended.

Section 412 (a) of the Officer Personnel Act of 1947.

The Act of June 6, 1942 (56 Stat. 328; 14 U. S. C. 174a; 33 U. S. C. 864e).

Section 8 of the Act of July 24, 1941 (55 Stat. 604; 34 U. S. C. 3508), as amended.

The Act of July 2, 1945 (59 Stat. 316; 37 U. S. C. 111a).

Sections 9, 13, 14, 15, 16, and 17 of the Act of June 3, 1948 (62 Stat. 299, 300).

So much of the second proviso of section 2 (b) of the Act of January 19, 1942 (56 Stat. 7; 33 U. S. C. 854a), as relates to pay, longevity pay, allowances, and retirement.

Section 7 of the Act of January 19, 1942 (56 Stat. 8; 33 U. S. C. 864d).

Section 9 of the Act of April 12, 1902 (32 Stat. 101; 14 U. S. C. 167), as amended.

Section 6 of the Act of April 12, 1902 (32 Stat. 101; 14 U. S. C. 169), as amended.

The first and second provisos of section 3 of the Act of January 12, 1923 (42 Stat. 1131; 14 U. S. C. 171, 174), as amended.

The second sentence of the second paragraph of section 3 of the Act of January 28, 1915 (38 Stat. 802; 14 U. S. C. 175).

Section 3 of the Act of January 12, 1938 (52 Stat. 5; 14 U. S. C. 175c).

Section 2 of the Act of May 24, 1939 (53 Stat. 755; 14 U. S. C. 185a).

Section 5 of the Act of May 24, 1939 (53 Stat. 756; 14 U. S. C. 185d).

Section 1448 of the Revised Statutes (34 U. S. C. 411).

Section 1454 of the Revised Statutes (34 U. S. C. 418).

Section 1588 of the Revised Statutes, as amended (34 U. S. C. 991).

(b) The following Acts and parts of Acts are hereby repealed except as to members of the Philippine Scouts for whom such Acts or parts of Acts shall remain in full force and effect:

Section 1245 of the Revised Statutes (10 U. S. C. 931).

The third proviso of section 3 of the Act of October 1, 1890 (26 Stat. 562; 10 U. S. C. 932).

Section 1251 of the Revised Statutes (10 U. S. C. 933).

Section 1252 of the Revised Statutes (10 U. S. C. 934).

That part of section 1 of the Act of August 29, 1916 (39 Stat. 629; 10 U. S. C. 935) which reads as follows:

"That the Secretary of War shall make a list of all officers of the Army who have been placed on the retired list for disability and shall cause such officers to be examined at intervals as may be advisable, and such officers as shall be found to have recovered from such disabilities or to be able to perform service of value to the Government sufficient to warrant such action shall be assigned to such duty as the Secretary of War may approve."

Section 1246 of the Revised Statutes (10 U. S. C. 961).

Section 1247 of the Revised Statutes (10 U. S. C. 962).

Section 1248 of the Revised Statutes (10 U. S. C. 963).

Section 1249 of the Revised Statutes (10 U. S. C. 964).

Section 1250 of the Revised Statutes (10 U. S. C. 965).

Section 1253 of the Revised Statutes (10 U. S. C. 966).

INAPPLICABILITY OF SECTION

Sec. 649. Except as provided in section 610 of this Act, all other provisions of this Act shall not apply to active and retired members of the Philippine Scouts and the insular forces of the Navy and the provisions of law in effect on the date of enactment of this Act, except as changed by section 610 of this Act, shall continue in full force and effect as if this Act had never been enacted into law.

GENERAL PROVISIONS

Sec. 650. Nothing contained in this Act shall be deemed to amend any provision of the National Security Act of 1947 (61 Stat. 495) or to limit the Secretary of Defense in the performance of his duties thereunder.

EFFECTIVE DATE

Sec. 651. (Effective date provisions will be furnished at a later date.)

END OF BILL

ANNUAL REPORT OF THE PRESIDENT OF THE RETIRED OFFICERS ASSOCIATION FOR THE YEAR 1948.

Foreword

There is presented herewith the management's accounting of the stewardship of the Retired Officers Association for the year 1948 for the information of its Board of Directors, its membership and those eligible to become members, in short, for the information of all who are interested in the development of our Association as an instrument of service to retired personnel and those dependent upon them.

Nineteen forty-eight was a year outstanding in the development of our Association. This report covers the salient features of the progress and work of the Association during an eventful year of numerous and varied problems, affecting retired status and the rights and opportunities flowing from it —a year during which your management has vigorously pursued its objective of expanding its usefulness to those who have entrusted to the Association the responsibility for carrying out this important work.

Hereinafter outlined in a general way are the activities of *your* Association in services to our members and those dependent upon them; in the expansion of our organization and National Headquarters facilities; in increasing the promulgation of information through our Bulletin; in the establishment of a scholarship program for worthy children of retired personnel or of their widows; and in the courses which have been pursued and will continue to be pursued relative to specific issues holding broad implications to retired personnel.

In these activities will be found a story of progress and achievement which has attracted to our Association more than ten thousand new members in a little more than a single year. Our membership is maintaining a high level of support to the Association so that our attrition *from all causes* is very low indeed—less than ten per cent. From our members we ask the continuation of their confidence and of those eligible who are not members, we ask careful consideration of the manner in which membership will be helpful to them and their dependents, in order that they, too, may participate in the worthwhile work in which we are all engaged to make retired status a more secure and a happier one.

History

The Retired Officers Association had its origin on 23 February 1929, when it was formed as an organization to which retired officers could look for counsel and assistance in matters affecting their retired status.

It was the view of those founding the Association that retired officers could best achieve full recognition of the benefits and opportunities to which they and their dependents should be entitled by joining together in an association dedicated to the concept.

While World War II was still in progress, it became apparent to those charged with the responsibility of managing the affairs of the Association that a reorganization and expansion of the Association was essential if it was to become an efficient and effective force on behalf of the retired groups of the uniformed services. Accordingly, on 12 April 1944, a reorganization was established, primarily for the purpose of further bridging the gap between active duty and retired status. Though reorganized, the Association still adhered to the same philosophy and to the same principles by which it was guided and governed in the past—namely, that retired officers could better obtain and preserve their rights by joining together for mutual benefit, the better to safeguard present security and to promote future rights, not only for themselves, but for their dependents and survivors as well.

As a result of this reorganization, the Association's objectives were enlarged to include:

(a) The seeking of ways and means of expanding the services rendered its members and their dependents in supplying information and assistance and in furnishing answers to the many problems presented for solution.

(b) Establishment and maintenance of an ever-expanding liaison with official agencies, veterans' associations and other such organizations interested in a strong and effective national defense.

(c) A means of placing before the Congress and appropriate agencies of the Federal Government, in a proper manner, the views and desires of retired personnel.

(d) Recognition of the Association to represent its members and their widows and other survivors before the Veterans Administration

(e) The fostering of fraternal relations among retired officers of all the uniformed services.

(f) The publishing of a Bulletin through which retired officers may look for information about matters of great personal interest and concern to them, which information, as retired officers, does not reach them by official distribution.

(g) The expansion of the Association's membership so as to include the largest possible percentage of the retired lists, regular and reserve, contributing to the prestige of the Association by their membership, to its maintenance by their financial support, and to their own benefit by the enlarged and expanded services the Association may thus render to them and their dependents.

Organization

The affairs of the Association are supervised and conducted by:

(a) A Board of Directors, which establishes basic policy and organizational regulations by which the interests of the Association are governed. The Board is now composed of thirty members, with representatives from all of the services from which we draw our membership, including three members from the reserve components. During the past year the Board was expanded by the addition of representatives of the nurse corps and of the female components other than nurses. (b) Committees, composed of members of the Association who have indicated their willingness to serve and who feel able to devote their time to this important work. During the past year the committee structure has been improved, new committees have been established, and the committees have become more active in the able assistance rendered by them in submitting to the Board of Directors detailed opinions and recommendations in behalf of improved methods and procedures with respect to the individual subjects upon which they are appointed to report. Functions of the various committees presently standing are as noted below:

Executive Committee

Makes interim decisions under basic policy upon organizational or other questions arising between regular meetings of the Board of Directors and requiring immediate action. A report of these actions is submitted to the Board of Directors at its meeting next following. The Chairman of the Finance Committee serves as a member, ex officio, of the Executive Committee.

Finance Committee

Approves the allocation of funds for investment purposes, audits accounts, makes recommendations concerning the allo-

cation of funds to projects and makes report of its actions to the Board of Directors.

Membership Committee

The purpose of this Committee is to devise ways and means of stimulating interest in the Association among all retired officers with a view to creating the largest possible membership and including in its recommendations to the Board of Directors procedures for the Staff to consider in encouraging those eligible to join.

Public Relations Committee

Has as its mission the formulation of such recommendations for submission to the Board of Directors as will foster fraternal relations among all retired officers and to present recommendations for improved methods of publicizing the objectives and activities of the Association as will, in every proper manner, make retired officers—members and nonmembers alike—conscious of the value of membership.

Steering Committee

Examines into new plans, projects, proposals, and other matters referred to it to determine whether and to what extent each appears to be helpful to the expansion in the usefulness of the Association, whether further study seems to be warranted and the manner in which any such study should be conducted.

Scholarship Committee

Has been charged with a study of the question as to establishment of scholarships for the benefit of children of retired officers or their widows and to make recommendation to the Board of Directors regarding the manner in which the project shall be financed and conducted.

National Cemeteries Committee

Was appointed to inquire into the question of the rights and privileges of dependents of retired officers to burial in national cemeteries, particularly relating to reservation of interment space in the same lot and of regulations which must be followed in order to establish such reservations.

Decentralization Committee

Makes recommendations as to the extent and manner of decentralizing the activities of the Association so as best to develop its purposes and objectives, stimulate expansion in membership, encourage the formation of social clubs of retired officers and their dependents and otherwise to promote fraternal relations among retired officers.

(c) A President, three Vice Presidents, and an Executive Vice President, all appointed by the Board of Directors, and a Staff. This group executes the policies and directives originating with the Board of Directors and carries out all phases of the Association's essential and constantly increasing administrative day-to-day workload, involving the maintenance of membership records, handling large volumes of correspondence, maintaining close liaison with all branches of the Federal Government having jurisdiction over the interests of retired officers, with the Congress, and with civil agencies, veterans' organizations, individuals, etc.; publishing the Bulletin; preparing briefs and statements for submission to the various departments and committees of Congress expressing the views and desires of retired personnel in behalf of specific measures; and a multitude of other details of great importance to retired officers and their dependents, individually and collectively.

Due to the expanding workload and the fact of one resignation from the Staff, it has been necessary during the past year both to expand and in a measure to reorganize the Staff. The duties and responsibilities of Secretary-Treasurer of the Association have been vested in a single individual, Lieutenant (jg) Davis. The editorship of the Bulletin has been vested in Lieutenant Commander Bailey, USCG. The Association has obtained the services of a highly competent secretary to the President and Executive Vice President, who in addition to her other qualifications has had editorial experience. There have been added to the Staff two new members of the group which supervise the membership records and services. All of these additions were essential to cope with the expanding volume of work occasioned both by rapid expansion in our membership and by increasing activities in matters relating to the benefits, opportunities and obligations of retired personnel. All of the selections were made with the greatest of care and the Association is fortunate in having the services of the new personnel on its Staff.

The Board of Directors, committees and staff combined form a closely integrated whole which work harmoniously, efficiently and smoothly toward the common goal of expanding and enlarging upon the service rendered our members and their dependents in supplying information and assistance and in furnishing solutions to the many problems constantly confronting us. It is pointed out that the invaluable assistance rendered to the Association by the Board of Directors and the Committees is freely given on a purely voluntary basis.

The Bulletin

The Retired Officers Association Bulletin, published quarterly, is the journalistic voice of the Association. It has continued to improve in scope, form, and substance during the past year and it will continue to improve in the future. Its circulation now approaches 15,000 copies per issue and this circulation will, of course, increase with our rapidly expanding membership.

The major purpose of the Bulletin is to keep our members as fully informed as possible concerning matters of importance to them and their dependents; to apprise them of the benefits, opportunities and obligations of the retired officers of the uniformed services; to report to them details regarding action and proposed action affecting their interests in legislation and administrative determination; and at all times to keep them informed of the activities of their Association. Thus, its policy has been and will continue to be to report periodically upon past and current matters and also to look ahead toward probable action which might enhance or otherwise affect the benefits and opportunities of retired status.

The growing circulation of our Bulletin and the correspondence which has been received during the past year concerning it show clearly that retired officers are accepting it as an authoritative source of helpful information on current trends bearing upon their status.

Some Accomplishments of the Past Year

In addition to the fields in which progress has been realized, herein discussed, and the increases in our financial position and total membership which have taken place during the past year and will later be discussed in this report, consistent with its basic policy your Association has conducted an extensive and ever expanding service to those of its members and their dependents who have called upon us for advice and assistance in regard to the many problems which arise out of their retired status and the status as veterans of one or more wars. These are basically the main purposes of your Association and these activities are conducted on a day-to-day basis.

In addition to all of these things, the Association has, during the past year, made various representations to executive departments and congressional committees in reference to specific legislation which would have affected all or certain groups of our members and the purpose has been at all times in every proper manner vigorously to represent the interests of minority groups, however, small. These include the following.

(1) Equalization of retirement benefits among members of the Army and Navy nurse corps who were retired prior to World War II; (2) Retirement of Army and Air Force per-

sonnel in highest wartime rank and establishment of a career retirement system for Reserve components; (3) Credit for longevity pay and retirement purposes for service as cadets, midshipmen and aviation cadets; (4) Credit for service of former members of the Lighthouse Service following consolidation of that service with the Coast Guard; (5) Dual compensation; (6) Prevention of retroactive checkage of retired pay, for the relief of those warrant officers and enlisted men who were appointed or advanced to commissioned grade in cases where they were employed in civilian capacities by the Federal Government; (7) Modification in the laws restricting retired officers in the prosecution of claims against the United States; (8) To authorize those who served in World War I and who retired prior to 1 June 1942 to compute their retired pay at 75 per centum of their active duty pay; (9) Federal incorporation to permit the Association actively to represent its members, their widows and survivors in connection with their insurance, pension and other claims and interests before the Veterans Administration; (10) Vigorous defense of those who have been retired for physical disability retirements; and (11) Recommendations to the Joint Service Pay Committee and the Civilian Advisory Commission on Armed Services Pay, appointed by the Secretary of Defense, concerning pay and retirement interests of retired personnel, together with the proposal that the widows of those previously retired be included in any survivorship proposal which may be recommended to the Congress.

Items (1), (2), (4) and (6) above, were passed by the Congress and approved by the President. Items (3), (5), (7), (8) and (9) above were not passed in the 80th Congress, but it is to be hoped that they will be favorably considered by the 81st Congress. As to item (10), no action was taken by the 80th Congress to effect change in the status of officers retired for physical disability, save a proposal to reduce the exclusion from income tax of such officers while gainfully employed, which was passed by the House as section 106 of the proposed Revenue Revision Act of 1948, but which failed of passage by the Senate. Item (11) covering revision of pay and retirement of the military services is now in preparation by the National Military Establishment for submission to the 81st Congress.

In addition to the above items which are not intended to be fully inclusive, there will no doubt be many additional items of legislation considered by the 21st Congress which would affect all or groups of our membership. All such matters will be given consideration and it will be the purpose to make such representations with reference to them as may appear appropriate.

Association Scholarship Program

A notable milestone in our activities of the past year was the creation of an Association sponsored Scholarship Program. The initial program is modest and it is to be hoped that it will be possible to expand it in the future. The funds for the program are to be assembled through contributions specifically made by the donors for that purpose and it is not planned in any way to burden the general funds of the Association.

This, we believe, is a progressive step toward achieving one of the Association's primary objectives—that of providing the greatest possible help and assistance for retired officers, their dependents and survivors.

Briefly, the plan presently provides:

(1) That beginning with the next classes to enter the Military, Naval or Coast Guard academies, our Association will make known its willingness to extend a loan, not to exceed $300 in each case, to one candidate entering each one of the said service academies each year, based upon character, scholastic aptitude and need, to the son of a retired officer or of the widow of a retired officer. Further, that a similar loan, not to exceed $300, will be extended to one son or daughter of a retired officer or of the widow of a retired officer each year, to assist in defraying the necessary expense for entrance into a civilian college or university of the choice of the individual.

(2) That each such loan should be made with the understanding that it will be repaid upon graduation or within a reasonable time after leaving the academy, college or university.

(3) That the President of the Association from time to time attempt to obtain from colleges and universities the establishment of scholarships for the Association to be awarded deserving sons and daughters of retired military personnel.

Contributions from members to support this worthy project have been solicited through the Bulletin. Funds for the purpose are maintained in a separate bank account known as "THE RETIRED OFFICERS ASSOCIATION SCHOLARSHIP FUND."

Your President commends to our membership the great need for and value of offering assistance to young men and women, who might otherwise be deprived of the advantages of higher education, by giving them an opportunity to develop the knowledge and techniques that will equip them to take their rightful places as leaders in the solution of tomorrow's problems. It is a matter of pride that the groundwork has already been laid for this project. With membership support, its success is assured. Its scope will be expanded as funds become available.

Financial Condition

Our financial condition has steadily improved during the past year. At the close of 1947 there was in the treasury a total of $13,208.00, consisting of cash in bank and United States Government bonds. As of the close of business at the end of 1948 this sum had increased to $28,368.00, or a total increase of $15,160.00.

It is not the policy of our Association to accumulate assets beyond those required to insure financial security to maintain its active operating status and, hence, its ability effectively to carry out its purposes and objectives.

The amount of unobligated assets, while they have during the past year increased in a manner which should bring to all members a feeling of satisfaction and assurance in the outlook for the immediate future, should not be looked upon as excessive—for they are not excessive when consideration is given to the necessity for maintaining a staff of adequate size and competence to perform the important work in which it is engaged.

The amount now in the treasury unobligated should not be looked upon as sufficient to give absolute assurance for the future. The purchasing power of the dollar has been substantially reduced and costs are continually rising. Our activities are continually expanding with the inevitable need for increasing the staff and the facilities with which to meet the increasing demands for service. Consequently, far from being completely satisfied with the present situation in this respect, we should all look forward to an even sounder financial condition.

Membership

Membership Expansion—During the past year our membership increased by 7,893, from 5,409 at the end of 1947 to 13,302 at the end of 1948. It is continuing to expand and we may look forward confidently to a further substantial increase during the forthcoming year.

Our membership records are in excellent condition, due to the conscientious efforts of those of our staff who are charged with the responsibility of maintaining them.

Our Association receives from all of the departments of the Government and from the other sources from whose personnel our members come, information concerning the deaths of our members. During the past year 118 of our

members have died. In each such case we have communicated with the next of kin and offered to help in every way we can with any problem which may have arisen in connection with any rights and benefits to which they may be entitled. Records are being carefully kept of our attrition from all causes, and the experience of the past year indicates that this attrition is at the surprisingly low level of less than 10%.

Assistance In Obtaining New Members—There has been gratifying response to appeals addressed to all members throughout the year requesting their assistance in inducing those eligible, not already members, to join. In order to permit the development of our Association into the most effective force in behalf of retired officers and their dependents, it is vital to our further success that its membership include the largest possible percentage of the entire retired lists, regular and reserve, contributing to the prestige of the Association by their membership, to its maintenance by their financial support and to their own benefit by the enlarged and expanded services the Association can render to them and their dependents.

Your Association must not—cannot—remain static. New blood gives new life and new life in an organization such as ours means that we are on a course leading to real success and achievement.

Life Members—Many Life Members who felt able to do so have voluntarily placed themselves on a dues-paying status. We extend thanks and appreciation to those of our Life Members who have taken this means to contribute to the Association's activities and progress. A Life Member volunteering to pay dues may elect to resume his status as a Life Member, without further payment of dues, at any time he so desires.

Reserve Members—During 1948, 3,988 retired officers of the reserve components became Reserve Members of our Association. The total of such memberships as of 31 December 1948 was 4,611.

It has been and will continue to be the endeavor of the staff impartially to further and protect the interests of our Reserve Members equally with those of the Regular Members, in accordance with the policies of the Board of Directors.

Decentralization

The standing Decentralization Committee is watchful of events which someday may make it feasible and advisable to establish posts or chapters of the Association. To date the action of that committee has extended no further than to recommend the appointment of regional representatives in strategic locations and to encourage the formulation of social groups and clubs of retired officers and their dependents. Two regional representatives have thus far been appointed and several social clubs made up of our members exist in localities where fairly large numbers of retired officers and their dependents reside.

Legislative Outlook for the Year Ahead

In accordance with established policies and procedures, the Association maintains files dealing with questions involving existing laws and regulations affecting retired personnel. Where discriminations against the rights, benefits and opportunities of retired personnel are found, it brings these matters, in every proper manner, to the attention of the respective departments and agencies of the Federal Government having jurisdiction over them and to the congressional committees where such matters are being considered. Moreover, it suggests appropriate modification of or amendment to such laws or regulations to remove the discriminations or to improve the interests of retired personnel, generally.

When such matters are presented to the Congress, the Association submits to the Committees handling them, carefully prepared briefs or statements, setting forth in detail the Association's views upon corrective measures or upon new legislation designed to bring about more equitable conditions for retired personnel and their dependents.

Among the proposals expected to be included in the 1949 military legislative program of particular interest to our members are the following:

Service Pay Revision—the great need for which has been stated at length in our Bulletins.

Factual information with respect to the specific details of this proposal are not available at this writing and it is probable they will not be announced until the entire situation has been resolved within the Department of Defense for submission to the Congress.

Dual Compensation—In response to a communication addressed to the Secretary of Defense pointing out the gross inequities resulting from present laws dealing with this subject, your President has been informed that maximum effort will be made by the Department of Defense to support the much needed suggested changes to those laws in their application to retired officers of the military services.

Equalization of Credits for Service in the Armed Forces for Pay and Longevity Purposes—a legislative proposal understood to be under consideration within the Armed Services is one looking toward the equalization of credits for services in the Armed Forces for pay and longevity purposes by including certain types of service which were inadvertently overlooked in the Pay Readjustment Act of 1942, as amended. These services include service as cadets, midshipmen, or as aviation cadets, certain service in the Officers' Reserve Corps, the Medical Reserve Corps of the Army, and service as a contract surgeon while so serving on a full-time basis.

Credit for Service in World War I—a provision of the Pay Readjustment Act of 1942 authorizes those officers of the regular services who were retired subsequent to 1 June 1942, otherwise entitled to retirement and who had served in World War I, to compute their retired pay at 75% of their active duty pay. Other provisions of law permit many other officers the same opportunity and all of the laws taken together result in a clear discrimination against a small group of retired officers of the regular services, retired prior to 1 June 1942, by failing to entitle them to the same opportunities, although in most cases they have performed more active duty than many to whom the present benefits apply.

Prosecution of Claims Against the Government by Retired Officers—the Secretary of Defense in reply to a letter addressed him by the Association has advised the National Military Establishment will lend its support in behalf of legislation to change or modify Section 109 of the Criminal Code, which prohibits retired regular officers of the military components, but does not prohibit officers of the Reserve components, from acting as agents or attorneys to prosecute, or from assisting in the prosecution of, claims against the United States.

Additional Items—other subjects regarding which legislative activity might well be expected by the 81st Congress, include: tax exclusion or exemption of military pay; extension of present medical and hospital benefits for all retired personnel and their dependents; pension legislation (including raising of the income limitation governing the right to receive pensions by widows of veterans of World War I); modification of existing law so as to make retired medical and dental officers recalled to active duty subsequent to 1 September 1947 eligible to receive the $100 per month additional pay which is now paid to other retired medical and dental officers, and legislation for the further extension of commissary and post exchange privileges.

Every proper safeguard and most careful attention will be given to the progress of the above and to all other legislative proposals as may be introduced in the 81st Congress affecting, in any manner, the interests of our members, their dependents and survivors, and every proper means will be taken to insure that appropriate briefs, statements or presentations are sub-

mitted whenever the circumstances indicate such procedure to be necessary or desirable, and within the scope of the activities of the Association.

Future Planned Activities

With reference to our future purposes and objectives, it is our desire further to extend in scope and usefulness our services in furnishing advice and assistance in official matters to each member and his dependents; in the timely promulgation of vital information to retired personnel through the Bulletin, special reports and releases; in extending research for the compilation of statistical information concerning the economic and social welfare of retired officers and their survivors, so as to be prepared to represent their interests whenever necessary; and to achieve the fullest recognition by and the confidence of all official agencies, so that such representations may properly be made.

Obviously, these purposes and objectives, and other accomplishments to which we aspire, cannot be realized without the maintenance of an efficient and well trained staff and the necessary equipment, without which there would be but little or no progress. Our purpose is to maintain such a staff and equipment.

Conclusion

The past years has been a full one for the Association. It has been a busy and a successful one.

As the representative of retired personnel we have assumed initiative in making known the views and desires of retired personnel on the many issues that arose in any manner affecting the rights of retired personnel.

The Association sought, and the efforts of the staff have obtained, the confidence and good will of all branches of the Federal Government having jurisdiction over the interests of retired officers, of the Congress, and of civil agencies, veterans' organizations and individuals having a bearing upon those interests. We have not sought, nor will we seek, by pressure methods to obtain the granting of rights to our membership of the righting of patent wrongs, but rather to obtain them by presenting the simple facts of a case in a convincing manner.

It is sincerely believed that the Association's rapidly increasing membership is attributable to an awareness of the proper, ethical and yet forceful manner in which we strive for correction of the inadvertent inequities which creep into the laws, rules and regulations governing retired status.

Every month this past year more names have been added to our membership rolls than ever before in its existence. At the year's end, more than 13,300 retired officers, of all ranks, held membership in the Retired Officers Association.

The comprehensive membership of the Association constitutes an honored group united for the purpose of guiding, safeguarding and promoting the fortunes of retired personnel.

Your confidence in its activities, your contributions to its prestige by your membership, and the assistance to its maintenance you have given by your financial support, has enabled a devoted and highly competent staff to bring to the Association the success it has achieved to date. In that connection, it is my pleasure to extend my personal thanks to Captain Willenbucher, Commander Bailey, Lieutenant Davis, Lieutenant Mosher, Lieutenant Plockie, Mrs. Ault, Miss Mills, and to Lieutenant Drake while employed with us, for their loyal and untiring efforts, working as a team, to bring about a year of highly successful accomplishment. Also, my thanks go to the Board of Directors and to the several Committees who have given so generously of their time in the formulation of the policies of the Association.

In closing, may I repeat what I have said many times before—that my firsthand knowledge of the manner in which the fortunes of retired officers all too often "hang in the balance," convinces me that retired officers need this Association and, in order to fulfill its stated mission, it must have the largest possible membership.

Faithfully yours,

H. G. HAMLET
Vice Admiral, U. S. Coast Guard, Retired
President

BOARD OF DIRECTORS MEETING

The first quarterly meeting of the new year of the Board of Directors was held at the Army & Navy Club in Washington on Friday, 7 January. Attendance was excellent. Guest speaker at the luncheon preceding the meeting was Rear Admiral Raymond T. McElligott, Chief of Personnel, U. S. Coast Guard, who gave a most interesting talk on the military personel situation in the coast Guard. Admiral Elligott's remarks are recorded elsewhere in this edition.

Upon calling the meeting to order, the Annual Report of the President outlining the Progress and Development of the Association during the year 1948 was read and approved. That report is contained in this issue.

Likewise presented and approved were the reports of the Executive Vice President, dealing with many current matters; the Secretary, indicating the large increase in membership inquiries and the manner in which replies are made; and the Treasurer, explaining the financial condition of the Association for the calendar year ending 31 December 1948.

A letter from Lieutenant Cecil C. Drake, USCG, Retired, submitting his resignation as a member of the Board was read and accepted with regret. The Board expressed deep appreciation for Lieutenant Drake's past services rendered in behalf of the Association's membership expansion. Lt-Comdr. George M. Bailey, USCG, Retired, Editor of the Bulletin, was elected to fill the vacancy thus created on the Board.

By unanimous vote the Board made permanent the appointment of Lieutenant Dalton Plockie, USN, Retired, with the Staff, in connection with maintenance of membership records.

Modest salary increases for Staff personnel, as recommended by the Executive Committee and approved by the Finance Committee, were confirmed.

Plans for consolidation of the Retired Officers League with the Retired Officers Association and complete integration of its activities, in accordance with the terms agreed upon by the Presidents of the two organizations, were ratified.

Reasonable travel expenses were authorized to reimburse Board members residing outside the limits of the greater Washington area, but at a distance not exceeding 200 miles therefrom, who attend future meetings assembled at the direction of proper authority for the transaction of necessary business of the Association.

In order to provide for the proper administration of the Retired Officers Scholarship Fund, hereinafter referred to as the Fund, a resolution adopted by the Board of Directors, acting as the Board of Governors, specifies that the affairs of the Fund shall be administered by the Board of Directors, acting as the Board of Governors of the Fund; that all administrative work in connection therewith shall be performed

by Staff personnel of the Association; that the President of the Association shall be the Chairman of the Board of Governors of the Fund; that the Legal Counsel and Secretary-Treasurer of the Association shall act in those capacities of the Fund; that minutes of all meetings of the Board of Governors shall be kept; that expenses for stationery and postage incident to the Fund shall be borne by the Association until the Board of Governors shall determine that the Fund can adequately bear that burden; that the Riggs National Bank of Washington or its Dupont Circle Branch is designated as the repository of the Fund; that the President, First, Second and Third Vice Presidents of the Association, in their respective positions on the Board of Governors, are each of them authorized singly to sign checks against the Fund; and that the Executive Committee shall act for the Fund with the same powers now granted it by the Board of Directors of the Association.

STEERING COMMITTEE APPOINTED

Pursuant to a determination made by the Board of Directors, the President has appointed a Steering Committee, to which shall be referred questions and problems normally passed upon by the Board of Directors.

The function of this Committee is to examine into all circumstances relating to specific items submitted to it, and make report of its findings to the Board of Directors, indicating whether the individual recommendations presented are of such nature as to—(a) merit adoption; (b) warrant further study; and (c) suggest the manner in which such further study, if necessary, should be conducted.

Membership of this newly appointed Committee is as follows

Brigadier General Charles D. Roberts, USA, Chairman

Colonel Lemuel Bolles, Hon.Res, USA

Lieutenant Colonel J. H. Coffman, USMC

Captain Frank S. Borden, USC&GS

Rear Admiral Charles E. Coney, USN

Medical Director Allan McLaughlin, USPHS

Lieutenant (j.g.) D. D. Davis, USNR, Secretary

MEMBERSHIP BREAKDOWN AS OF 31 JAN. 1949

Army	7,101
Navy	5,012
Marine Corps	709
Coast Guard	867
Coast & Geodetic Survey	48
Public Health Service	48
Total	13,785
Life Members (Non-dues-paying status)	987
Life Members (Dues-paying-status)	1,120
Members	6,839
Reserve Members	4,839
Total	13,785

TWO NEW DIRECTORS REPRESENTING THE WOMEN'S COMPONENTS

Following action taken by the Directors to provide representation of the Womens' component on the Board, we are happy and honored to annuonce the appointments of—*Colonel Florence A. Blanchfield, Army Nurse Corps, Retired*—During a colorful and distinguished career of over 30 years military service, Colonel Blanchfield attained the highest position in her Corps, that of Superintendent of Army Nurses, which assignment she held upon retirement. A woman of great professional background and experience; one with a deep understanding of human problems and vigorous in her support of advancing increased efficiency in the cause of affording comfort to the sick and wounded, she is eminently well qualified to carry on in behalf of those still rendering that noble service, as well as those who, like herself, have gained surcease from the exacting requirements of active service; and *Lieutenant Commander Florence T. Judge, U. S. Naval Reserve Retired*—Originally commissioned a Lieutenant (j.g.) in the WAVES in October 1942, Commander Judge had the unique distinction of graduation from the Naval Air Navigation School, Hollywood, Florida in November 1943, which won for her the Wings of a Naval Aviation Observer (Navigation). In August 1944 she graduated from the Advanced Course of Naval Air Navigation at Quonset Point, Rhode Island. She was then assigned as an Instructor in Navigation and the use of Navigational Aids to Cadets and Squadrons returning from the Fleet. She edited an Air Navigation series of textbooks which were used in the training of Aviation Cadets, and further compiled and edited data used in the Celestial Trainer text-book. At the time of her retirement for physical disability in July 1947, she supervised the training and placement of officers and enlisted personnel of the Link Celestial Navigation Trainer School at Quonset Point. Commander Judge is presently engaged in forming a non-profit organization whose purpose will be the teaching of crafts to the handicapped and providing a market for their products. Her work is designed to enable the handicapped to establish security for themselves and become self-supporting citizens of the community.

The Association is indeed fortunate to have gained two such well qualified women, both outstanding in their fields, to serve on its Board of Directors. We look to them to take the leadership in the long felt need of assisting in the advancement of appropriate representation for those of our members from the various Womens' components.

FINANCIAL STATEMENT AS OF 31 JAN. 1949

Cash in Bank (Hamilton National Bank), 31 Jan 1949	$7,255.22
Petty Cash on Hand	25.00
Total Available Cash	7,280.22
U. S. GOVERNMENT BONDS	23,520.00
Total Available Fiscal Assets	30,800.22
Book Value of Office Equipment	4,098.78
Worth as of 31 Jan 1949	$34,899.00

PRESIDENTS EMERITUS

It is with sorrow and regret that we announce the passing from their earthly labors of the Association's two Presidents Emeritus, Colonel Arthur T. Marix, USMC, Retired, on 12 January 1949, and Admiral David F. Sellers, USN, Retired, on 27 January 1949.

Colonel Marix, a founder of the Association, became its first President in 1929 and so continued until 1944, when failing health forced him to relinquish active participation.

Admiral Sellers then served as President until 1947. It was under his leadership and guidance that the Association was reorganized to meet changing post-war conditions.

The high principles, courage, foresight, judgment and fairness of these officers contributed in large measure to the present growth and expansion of the Association as well as in creating the concept by which its present activities in behalf of the interests of retired officers, their dependents and survivors are governed.

Our President, Admiral Hamlet, through individual messages of condolence to Mrs. Marix and Mrs. Sellers, expressed the deepest sympathy of the Association's Officers, Directors and more than 13,000 members in their dark hours of sorrow. He paid tribute to the devotion, energy and wisdom of Colonel Marix and Admiral Sellers and stated that their high principles will stand as fitting memorials to their fine characters and outstanding abilities, which neither the elements nor the passing of time can ever erase.

Captain Robert Henderson, USN, Retired, a Director, and several local members represented the Association at the burial services for Colonel Marix in Hollywood (California) Cemetery.

Admiral Hamlet, our President, served as a pall bearer at the funeral of Admiral Sellers and all available Directors attended in a body. Interment was in Arlington National Cemetery.

Full military honors were accorded in each instance.

ELIGIBILITY REQUIREMENTS FOR MEMBERSHIP

Membership in the Retired Officers Association shall be limited to men and women who are retired commissioned officers, warrant officers and nurses of the regular Army, Navy, Air Force, Marine Corps, Coast Guard, Coast and Geodetic Survey, and those officers of the Public Health Service who are on permanent waiting orders, and of the Reserve components of the services mentioned.

Membership shall be of four classes, viz:

(a) LIFE MEMBERS—Those who became such prior to 15 September 1945, or became such pursuant to (b).

(b) ASSOCIATE MEMBERS—Those who joined the Association *prior* to 15 September 1945, and who will become LIFE MEMBERS upon full payment of $30.00.

(c) MEMBERS—Those of the regular services joining on or after 15 September 1945.

(d) RESERVE MEMBERS—Those of the Reserve components joining on or after 26 September 1947.

LIFE MEMBERS, ASSOCIATE MEMBERS and MEMBERS shall be entitled to vote upon any matter properly submitted to the membership for vote.

OBITUARIES

We pause in deep reverence and honor to the memory of the following of our members for whom taps have been sounded since 1 November, last. May their brave souls forever rest in peace—

Commander August H. Bamman, USNR, Ret
Captain Walter H. Bicknell, USN, Ret
Colonel Ned Blair, USA, Ret
Colonel Frank H. Burton, USA, Ret
Colonel Grover C. Charles, USA, Ret
Captain Lee Carter, USMC, Ret
Captain Luther E. Crews, USA, Ret
Rear Admiral Robert G. Davis, USN, Ret
Warrant Officer Forrest R. Deal, USMC, Ret
Chief Pharmacist Charles H. Dean, USN, Ret
Captain Harry G. Dowdall, USA, Ret
Colonel H. B. Farrar, USA, Ret
Chief Boatswain William Finlay, USN, Ret
Major William T. Fisher, USA, Ret
Brigadier General Raymond F. Fowler, USA, Ret
Lieutenant Clyde W. Fraze, USN, Ret
Lieutenant Commander James E. Fuller, USN, Ret
Lieutenant Datus M. Hervey, USN, Ret
Lieutenant Jesse K. Jones, USN, Ret
Lieutenant Joseph J. Lynch, Jr., USNR, Ret
Captain A. M. Macnab, USA, Ret
Colonel Arthur T. Marix, USMC, Ret
Colonel George E. Mitchell, Jr., USA, Ret
Lieutenant William H. Parker, USN, Ret
Lieutenant Biven M. Prewett, USN, Ret
Lieutenant Carl E. Rackley, USN, Ret
Major Howard J. Rhodus, USA, Ret
Warrant Officer Edward E. Rowlett, USA, Ret
Admiral David F. Sellers, USN, Ret
Captain Lewis W. Sloan, AUS, Ret
Captain Lybrand P. Smith, USN, Ret
Colonel Horace F. Sykes, USA, Ret
Commander H. E. Wathen, (SC), USN, Ret
Colonel Robert C. Williams, USA, Ret

To RETIRED OFFICERS ASSOCIATION,
1600 Twentieth St., N. W., Washington 9, D. C.

Date.....

Gentlemen:—

You may enroll me as a member of the Retired Officers Association. Inclosed is check for $5.00.

Entrance fee	$1.00	*Fifty cents of which is for subscription to Association Bulletin.*
Annual dues	4.00	
	$5.00	

Name .....
(Please Print)

Rank and Service .....

Mailing Address .....

City ..... Zone..... State.....

COMMENTS FROM MEMBERS

Capt. D.C.B., USAFR, Ret—I feel that your general activities and general liaison are of great value, especially to those of a status such as mine.

Mrs. J.R.P.—Your kind letter and offer of assistance to me at this time of my great loss was received today. It touched me deeply and I wish to thank you for it.

Maj. C.S.C., USA, Ret—I have watched your work since my return from Paris, and think that, at long last, we have an efficient organization that can represent retired officers. They need it.

Lieut. C.E.C., USCG, Ret—The Association is a great thing for all retired officers and I pledge my full support in helping to make it successful.

Maj. P.C.V., AUS, Ret—May I say that I hope every eligible person becomes a member. By so doing, the greatest good for the greatest number, can be obtained with the highest degree of efficiency.

Lt-Comdr. A.F.S., USNR, Ret—I have read the history and by-laws of the Association and believe it has done and is doing a fine and very necessary service to its members and to the military establishment as a whole.

Capt. A.R.B., USN, Ret—Always appreciative of the splendid efforts of the officers and the progressive solid tone of the Association and its policies.

1st. Lieut. A.A., ANC, Ret—I would like to thank you for your work which seems to be reaping its own reward.

Col. C.C., Hon.Res, USA, Ret—Your thoughtfulness in sending me a copy of the Bulletin, containing information of great interest to me, has inspired me to submit my application for membership.

Lieut. J.F., USN, Ret—The Bulletin reveals the inspirational leadership we have in the distinguished officers who have unselfishly devoted their time and talent in our behalf.

1st. Lieut. W.P.W., USAFR, Ret—In the short time I have been a member, I have found at last an organization whose sole purpose is to better the standing and prestige of its individual members.

Col. D.G.P., USA, Ret—As I see it, membership in the Association is a "must" for all retired officers, the individual annual dues being an insignificant contribution to the specialized valuable services being constantly rendered for their benefit. The Bulletin and letters keep them informed as to pertinent legislation. The authority of the Association and its effectiveness is enhanced by its growing membership.

1st. Lieut. R.E.S., USMCR, Ret—The items published in the Bulletin are of tremendous interest. Through them I obtain information I might otherwise miss. This is a great service to all retired officers.

NOTES TO MEMBERS

Regularly scheduled publication of the Bulletin is as follows: 1st Quarter, 15 December; 2nd Quarter, 15 March; 3rd Quarter, 15 June; 4th Quarter, 15 September. Should any member fail to receive his copy, please write us and we will gladly supply.

CORRECTION—In announcing the appointment of General James A. Ulio, USA, Retired, to our Board of Directors in the previous edition of the Bulletin (page 10, column 1), the error is regretted in referring to him as the former Judge Advocate General of the Army. General Ulio served with distinction as the Adjutant General of the Army from 1 March 1942 to 21 January 1946.

We announce with no little regret that the resignation of Lieutenant Earl Mosher, who so capably supervised the handling of membership records, became effective on 1 February 1949. Lieutenant Dalton Plockie, who has been with the Staff for several months, moved up to the position formerly held by Lieutenant Mosher, and a new addition to the Staff is Lieutenant Foster C. Rogers, USN, Ret. Our best wishes attend Lieutenant Mosher in his new work.

It delights us to be able to report that memberships are daily increasing and we take this opportunity to extend a most hearty welcome to those who have recently joined. We also extend a cordial invitation to those eligible who are not already members.

Those desiring to make contributions to the Retired Officers Association Scholarship Fund are asked to make checks payable to that fund.

A considerable number of requests for lapel rosettes remain unfilled for the reason we have not received those on order from the manufacturer in France. We are momentarily expecting a new shipment and wish to assure our members, who have made remittances to cover, mailing will be accomplished as promptly as circumstances permit. Cost of these attractive rosettes, signifying membership in the Association, is 50¢ each.

Members are urged to keep National Headquarters advised of any change in their mailing address. In reporting such changes, it would be helpful if old and new addresses were given.

When communicating with National Headquarters, it would also be of great assistance if members would furnish their permanent address, rank and service from which retired, and sign or print signature so as to be clearly legible.

Our aim is to be progressive in every manner in which that can be done properly and in conformity with established policies. Accordingly, we encourage members to write us concerning such suggestions or criticisms as may occur to them in any way relating to or affecting retired status. New ideas stem from new opinions and points of view.

RETIRED OFFICERS ASSOCIATION BULLETIN
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